2009

Charlotte Housing Authority Moving To Work Annual Report

Moving Forward

Modified 10/21/09

Housing Authority of the City of Charlotte

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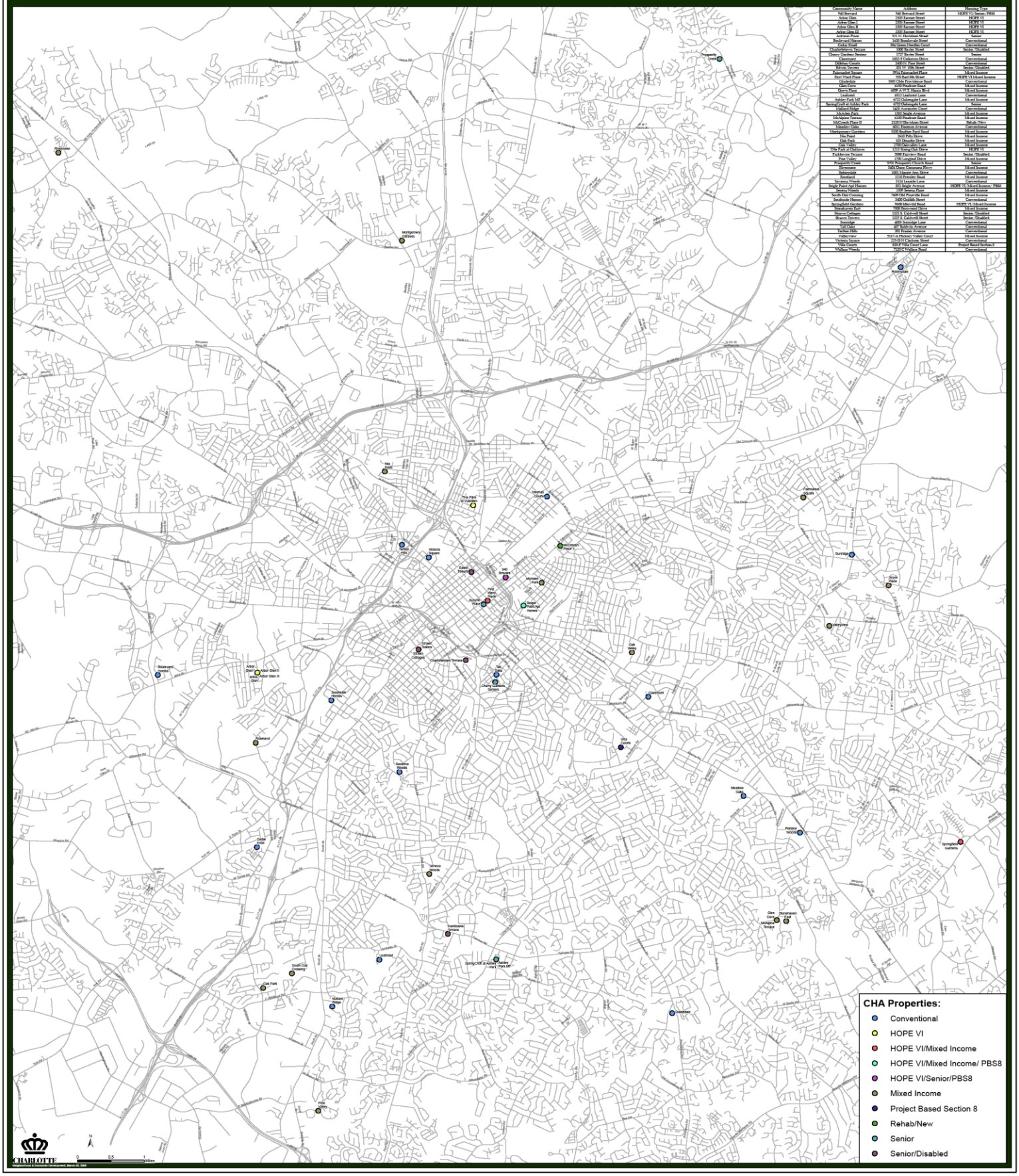
Charlotte Housing Authority Properties

Community Name	Address	Housing Type
Nid Bernard	940 Bernard Street	HOPE VI / Senior / PBS8
Arbor Glen	2300 Farmer Street	HOPE VI
Arbor Glen I	2300 Farmer Street	HOPE VI
Arbor Glen II	2300 Farmer Street	HOPE VI
Arbor Glen III	2300 Farmer Street	HOPE VI
Anderson Place	315 N. Davidson Street	Senior
Boulevard Homes	1600 Brookstown Street	Conventional
Cedar Walk	1000 Cedar Walk Court	Conventional
Charlottetown Terrace	1900 Baxter Street	Senior/Disabled
Cherry Gardens Seniors	1707 Baxter Street	Senior
Claremont	1031 E Catherine Drive	Conventional
Hidden Creek	2600 N. Pine Street	Conventional
Edwin Towers	301 W. 20th Street	Senior/Disabled
Fairmedell Square	9916 Fairmedell Place	Mixed Income
First Ward Place	500 East 4th Street	HOPE VI Mixed Income
Glenfiddle	5000 Olde Providence Road	Conventional
Glen Cove	6130 Pineknot Road	Mixed Income
Grove Place	6509 A V F Harris Blvd	Mixed Income
Landmark	4015 Landmark Lane	Conventional
Ashley Park MF	4722 Oakmapple Lane	Mixed Income
SpringCroft at Ashley Park	4722 Oakmapple Lane	Senior
Mallard Ridge	1428 Autumnlee Court	Conventional
Mcfarlan Park	1500 Seigle Avenue	Mixed Income
McAlpine Terrace	6130 Pineknot Road	Mixed Income
McCreech Place II	2120 N Davidson Street	Rehab./New
Meadow Oaks	4051 Thomas Avenue	Conventional
Montgomery Gardens	5106 Beatties Ford Road	Mixed Income
Nia Point	2612 Pete Drive	Mixed Income
Oak Park	101 Oscadia Drive	Mixed Income
Oak Valley	3700 Oakvalley Lane	Mixed Income
Olde Park at Oakhurst	1315 Rising Oak Drive	HOPE VI
Parkhaven Terrace	5900 Fairview Road	Senior/Disabled
Pine Valley	1700 Langford Drive	Mixed Income
Prosperity Creek	3701 Prosperity Church Road	Senior
Riverstone	5404 Dixie Crossroads Place	Mixed Income
Robinsdale	3801 Morgan Ann Drive	Conventional
Rosehaven	1110 Preston Road	Mixed Income
Savanna Woods	3114 Leopole Lane	Conventional
Seigle Point Apt Homes	315 Seigle Avenue	HOPE VI / Mixed Income / PBS8
Seneca Woods	3339 Seneca Place	Mixed Income
South Oak Crossing	7609 Old Pineville Road	Mixed Income
Southside Homes	5400 Griffith Street	Conventional
Springfield Gardens	9600 Sherrill Road	HOPE VI / Mixed Income
Steeplechase East	7000 Steeplechase Drive	Mixed Income
Steele Creek Cottages	3101 S. Caldwell Street	Senior/Disabled
Strawn Towers	2225 S. Caldwell Street	Senior/Disabled
Sugaw Creek	4001 Sugaw Creek Lane	Conventional
Tarrytown	4000 Tarrytown Road	Conventional
Tuckaseegee Hills	201 Tuckaseegee Avenue	Conventional
Valleyview	5127-A Valleyview Valley Court	Mixed Income
Victoria Square	1214-1216 Cedar Street	Mixed Income
Villa Lorraine	5207 Villa Lorraine Lane	Project Based Section 8
Wallace Woods	7120 C Wallace Road	Conventional



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SUMMARY OF MTW INITIATIVES			
PAGE	**ONGOING INITIATVES**	**DESCRIPTION**	**FISCAL YEAR IMPLEMENTED**
Increased operational efficiency and cost savings			
19	Single fund budget with full flexibility	CHA combined its public housing operating subsidies, public housing capital funds and its Housing Choice Voucher Program assistance into a single, authority-wide funding source.	2008 - 2009
22	Adopt investment policies consistent with state law	CHA adopted investment policies that are consistent with North Carolina state law to achieve a portfolio which is safer, more liquid and obtains competitive yield.	2008 - 2009
24	Alternate Review Process	Beginning July 2009 re-certifications for senior/disabled will be bi-annual; criminal background checks will be conducted at recertification; and rent reform initiated.	2008 - 2009
25	Modify Section 8 inspection procedures	CHA received approval from HUD to waive the requirement for an initial Housing Quality Standards (HQS) inspection on newly constructed Section 8 units and utilize local building standards inspection and subsequent issuance of a Certificate of Occupancy (CO) as a substitution of the initial or move-in inspection.	2008 - 2009
27	Streamline Project-Based Section 8 Process	Simplified the selection process in order to maximize the number of quality Section 8 assisted units throughout Charlotte.	2008 - 2009
31	Simplify the process for demolition/disposition	CHA will use the streamlined process (when it is released from HUD) to better facilitate efficient, cost-effective deals.	2008 - 2009
32	Streamline development approval process	CHA is using the evidentiary waiver process to streamline the development approval process to eliminate multiple layered reviews.	2008 - 2009
34	Develop local design standards	CHA adopted local design standards that correlate with other funding sources available in Charlotte and the State of North Carolina.	2008 - 2009
35	Revise subsidy structure for developments in which CHA is direct developer	CHA designed a new rent structure for new and rehabilitated Public Housing developments in which CHA is the direct developer.	2008 - 2009
Increase work and self-sufficiency among public housing residents and Section 8 residents			
37	Assess Section 8	CHA surveyed all Section 8 program participants	2008 - 2009

SUMMARY OF MTW INITIATIVES			
PAGE	**ONGOING INITIATVES**	**DESCRIPTION**	**FISCAL YEAR IMPLEMENTED**
	program participants	to measure their capacity for independent living. CHA will use survey results to connect them with the services necessary to facilitate their progress toward that goal.	
39	Currents of Change	The Currents of Change Program is designed to stabilize and improve families by fortifying them through education, life skills, motivation and employment training to compete in the economic marketplace.	2008 - 2009
43	Youth Services	CHA is partnering with community organizations and the local school system to pool resources to provide services to young residents in CHA communities and address school truancy.	2008 - 2009
Expand housing choices for low-income families and individuals			
46	Site-based waiting lists Public Housing and Project Based Section 8.	All public housing waiting lists are managed at the site level. Project-based Section 8 properties maintain separate waiting lists.	2008 - 2009
48	Participant and landlord tracking program	The University of North Carolina at Charlotte's (UNCC) utilized a Geographic Information Science (GIS) mapping system to identify vouchers holders within Mecklenburg County in order to analyze the census tracts with a large number of Section 8 voucher holders. CHA intends to de-concentrate poverty by determining the current housing cost in non-concentrated census tracts and identify available affordable housing opportunities.	2007 - 2008
50	Affordable Housing Impact Studies	CHA commissioned UNCC to research the pattern and density of affordable housing and evaluate the association between the housing stock and crime rate, housing and property values, and school equity in surrounding residential communities.	2007 - 2008
51	Section 8 Property Rating System	In 2007, a quantitative evaluation rating system for the exterior appearance of a Section 8 property was developed to improve the housing quality standards of participating property owners.	2007 - 2008

SUMMARY OF MTW INITIATIVES			
PAGE	**ONGOING INITIATVES**	**DESCRIPTION**	**FISCAL YEAR IMPLEMENTED**
54	Section 8 Training	CHA and Central Piedmont Community College conduct "Good Neighbors" type training to all new Section 8 participants to assist families in their acclimation into a neighborhood. In July 2009, the "Good Neighbor" Training will be conducted for all Section 8 participants.	2007 - 2008
55	Amend Section 8 Housing Assistance Payment (HAP) Agreement	CHA will amend the HAP Agreement to make changes such as inclusion of revised inspection procedures, penalties for landlord non-compliance with property rating system, and require families to update needs assessment as part of recertification.	2008 - 2009
57	Use single fund flexibility to develop additional units	CHA used block grant funding to leverage financing for the development of 100 new or rehabilitated affordable housing units each year of the MTW program.	2008 - 2009
59	Increase acquisition and rehabilitation of existing multifamily properties	CHA established a strategy and adopted a policy to increase the acquisition and rehabilitation of existing multifamily properties.	2008 - 2009
61	Establish local total development cost (TDC) limits	CHA adopted local TDC standards that reflect local marketplace conditions and set criteria for acquisition/rehabilitation deals in Charlotte.	2008 - 2009
63	Partner with CMS for mixed income affordable units	Established a partnership with Charlotte Mecklenburg Schools to produce mixed-income affordable housing units and identified two potential sites.	2008 - 2009
65	Land Acquisition for Future Affordable Housing Development Use	CHA acquired land in desirable, rapidly growing areas to provide more housing choices.	2008 - 2009
66	Housing for persons with disabilities, special needs and homeless	CHA created and enhance relationships with local social service provider agencies by working with two major nonprofit providers on new supportive housing projects.	2008 - 2009

I. Overview of the Agency's ongoing MTW goals and objectives

Moving To Work Becomes Moving Forward

CHA commissioned a communications plan to brand and introduce its Moving To Work (MTW) effort. After researching general perceptions among resident and community stakeholders about the Charlotte Housing Authority and its intentions regarding the MTW initiative, **Moving Forward** was announced as the CHA MTW Program name. *Families Advancing to Self Reliance* is the tag line that will be used to convey housing assistance as a platform for building or rebuilding lives.

Moving Forward will be promoted throughout the region via a social marketing educational campaign using several media outlets. CHA is striving to educate the general public of the importance in viewing housing as a "public" function or responsibility in the same way it does transportation, health, safety, education, library, etc. CHA families will share their stories of how they are affected by housing issues and the positive impact of what CHA does on a daily basis. The stories will also highlight policy makers, social workers, private developers, neighbors, police officers and others who know and work with CHA clients. Their stories of positive outcomes that individuals experienced through affordable housing are critical impressions to build community awareness and advocacy around Moving Forward initiatives.

MTW Background

The MTW program is a Department of Housing and Urban Development (HUD) demonstration program that allows housing authorities to make program and policy changes to (1) increase the housing choices of low-income families, (2) help residents achieve self-sufficiency, and (3) increase the cost-effectiveness of federal housing programs. As an MTW participant, CHA is required to develop an MTW Annual Plan. The MTW Annual Plan outlines and identifies policies that the housing authority plans to change and programs that may be implemented during the coming year. This document is Charlotte's MTW Annual Report, which is prepared each year to describe the previous year's activities and accomplishments under MTW and to compare those accomplishments with what was planned for in the MTW Annual Plan that was submitted for the year. The report is for the fiscal year which began April 1, 2008 and ended March 31, 2009.

The Charlotte Housing Authority signed an Interim MTW Agreement in December 2006. CHA gained full authority upon execution of the MTW Agreement in December 2007. CHA's executed an Amended and Restated Agreement in April 2008 which extended the original agreement period. The current MTW Agreement will not expire until 2018. The agency has used their MTW flexibilities to help meet the broad goals of the Moving to Work demonstration program.

As part of its goals and objectives for the coming year, the Charlotte Housing Authority will focus on:

- Utilizing single fund budget flexibility

- Implementing investment policies that are consistent with North Carolina law
- Simplifying Rent Calculation/Establishing Alternate Review Process
- Increasing safety initiatives at sites
- Self reliance strategies for participants
- Efficiencies of Inspection procedures for Project Based Section 8 and HCV Program
- Site Based Waiting Lists for Public Housing and Project Based Section 8
- Modifying the HAP Agreement
- Developing a Unit Production Program in Partnership with Charlotte Mecklenburg Schools
- More Aggressive Use of Project Based Section 8
- Increasing the acquisition/rehabilitation of existing multi-family properties
- Localizing and streamlining development
- Housing for persons with disabilities, special needs and homeless

In addition, CHA believes that three focus areas that are key ingredients to achieving the long term plan include communicating the importance of affordable housing for the low income families CHA serves, partnership development, and obtaining a waiver for additional use of funds outside of Sections 8 and 9. The Social Marketing Campaign mentioned earlier in the report described the communication efforts. Below are explanations of our pursuance of partnerships and flexibility of use of funds.

Partnerships

A key component of MTW is developing community partnerships, for the most part with local human services agencies, so that the continuum of needs for residents of CHA can be met and they can work toward self-sufficiency. The Authority contracted with The Lee Institute to work with CHA to gather information on current partner relationships, including contracts, persons responsible and other relevant documentation. Thus far, Lee Institute has completed an inventory of the existing partnerships; identified purpose, program objectives, results, costs and connection to MTW vision and mission. Additionally, a matrix of community partnerships was developed to provide uniformity in service descriptions, which aids CHA in decision-making and contract negotiations in this area.

In the next steps, the Lee Institute will work with both formal partners of the Housing Authority –nearly 40 organizations with which the Housing Authority has contractual relationships – as well as the informal partners that work with or alongside the Housing Authority, to complete a partnership analysis using the following process:

- Interview a selected number of the partnership agencies to identify prescribed norms and day to day operations and interactions with the Housing Authority
- Interview and/or survey Housing Authority staff who interface with partners; gather feedback on service delivery, impact on residents and connection with MTW

Upon completion of their initial work, The Lee Institute will submit a written analysis of the Housing Authority's existing and potential partnerships in the context of MTW

implementation. The Lee Institutes research will assist CHA in conceptualizing indicators of successful partner relationships that can be used to assess how CHA can best utilize community-based organizations under Moving Forward.

Additional MTW Funds Flexibility

The Charlotte Housing Authority will be pursuing the authorization to use funds outside the permitted uses of Sections 8 and 9. Specifically, CHA would like permission to use MTW funds on Section 8 Multifamily Program properties or other affordable 50% AMI units (real estate & services); to assist in creating an educational center for an entire community of affordable units; and authorization for an exemption to the pro-rata rule. Using funds outside of the permitted uses of Section 8 and 9 is not new to MTW Agencies with MTW Agreements signed prior to the Standard Agreement. The authorization served as an ideal tool for Authorities to serve more low income families in their region than they could afford to house. The authorization would allow Charlotte to pursue our strategy of developing units in less concentrated areas of Charlotte and developing mixed income properties. CHA sees the flexibility as necessary to expand housing choices for low income families and to help the City of Charlotte address the affordable housing shortages.

II. General Housing Authority Operating Information

A. Housing Stock Information

- The Charlotte Housing Authority has 3,287 ACC units. This excludes Hall House which has been taken off line and Live Oak MF which is still under construction. There are 3,077 total ACC units currently leasable in operations. CHA manages 2,264 of these and the remaining 813 are managed by partner agencies. These units are in 41 communities that are scattered throughout Charlotte. The chart below indicates the bedroom distribution for CHA's ACC units.

0BR	*1BR*	*2BR*	*3BR*	*4BR*	*5BR*	*Total Units*
614	855	862	728	199	29	**3,287**

- The Charlotte Housing Authority utilized 4,095 of the 4,268 of the total Housing Choice Vouchers on March 31, 2009(average for the fiscal year).
- The chart below is a general description of number and type of other housing managed by the Agency. The location, number of units and type of non-public housing/non-HCV assistance (to include tax credit, state funded, project based Section 8, and market rate) is specified if applicable.

Development	Type	Financing	1BR	2BR	3BR	4BR	Total Units	Owned by CHA Subsidiary	Managed by CHA
Oak Valley	Mixed/Afford.	Market Rate		32	18		50	Yes	Yes
Valley View	Mixed/Afford.	Market Rate		30	20		50	Yes	Yes
Grove Place	Mixed/Afford.	Market Rate		24	12		36	Yes	Yes
Villa Courts		PBS8		36			36	Yes	Yes

- Through its subsidiaries, the Agency owns or manages affordable market rate units, multifamily project-based Section 8, participating in Hope VI/tax-credit financed properties with Public Housing and/or Project Based Section 8 units. See chart above for detailed description.

B. Lease Up Information

- CHA had 2,851 ACC units leased on March 31, 2009.
- There are 4,095 CHA vouchers under lease. There are 210 Project Based Section 8 vouchers included in this count. An additional 434 portable vouchers are administered by CHA.
- The Charlotte Housing Authority experienced no issues or difficulties in leasing the Housing Choice Vouchers or public housing units.

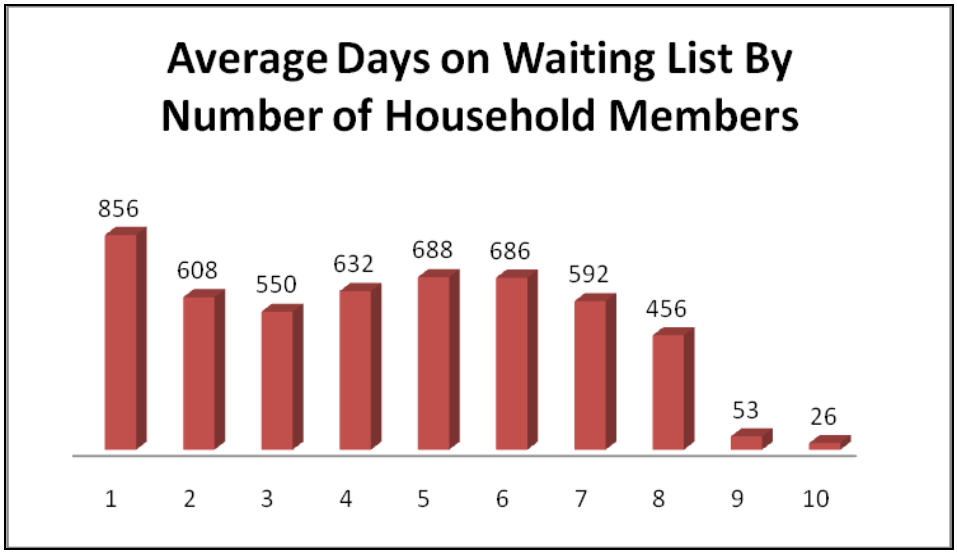
C. Waiting List Information

- All of the Charlotte Housing Authorities public housing communities have site-based waiting lists. Section 8 applicants apply for housing choice voucher assistance at one centralized location. Project-Based Section 8 units are offered only through a site-based waiting list at the respective property. Project-Based Section 8 or Public Housing assistance that may be offered via special programs for the homeless and/or disabled may be offered via referrals.
- There were 3,433 families on the public housing waiting list as of March 31, 2009 compared to 3,794 at the beginning of the fiscal year. In FY09, the public housing communities' waiting lists were too large to open for all but two communities, Boulevard Homes and Dillehay Courts. CHA opened the waiting lists for these two sites in October 2008 and closed their waiting lists for all bedroom sizes March 17, 2009. The charts below illustrate the number of persons on the CHA public housing wait list by household type and bedroom size, as well as the average days on the waiting list by number of household members.

Public Housing Waiting List Summary Information

Waiting List Household Type				
Disabled	Elderly	Family	Single	Total
476	391	2,315	251	3,433

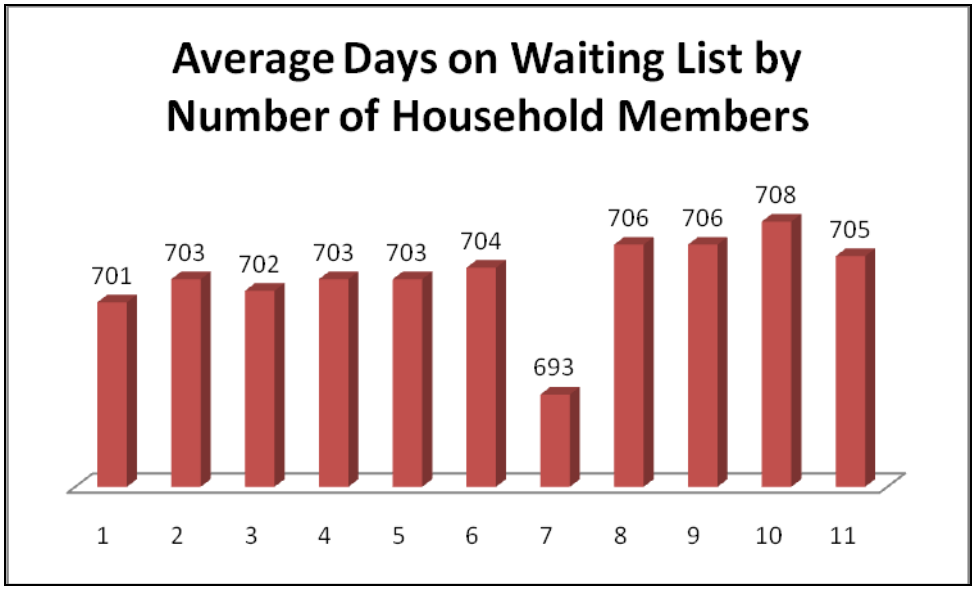
Bedroom Type					
0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
1038	248	1057	584	459	47



There were 3,629 households on the Housing Choice Waiting List at the beginning of the fiscal year and 3,618 on the waiting list on the last day of the fiscal year. The Housing Choice Voucher waiting list remains closed. Below is a description of the Housing Choice Voucher Section 8 waitlist.

Housing Choice Voucher (HCV) Waiting List Summary Information

HCV Waitlist Type as of March 31, 2009				
Disabled	**Elderly**	**Family**	**Other**	**Total**
216	4	3,040	358	3618



- The public housing waiting list was last purged August 2007. The Section 8 applicants with the last names beginning with the alphabet A – F was purged April 2008 and G – Z was last purged February 2009.

III. Long-term MTW Plan

This section addresses HUD's request for the direction of CHA's MTW program through the duration of the MTW Agreement.

The Charlotte Housing Authority's long term vision is focused on Self Sufficiency strategies, Educating Children and Enhancing the Portfolio. Specifically, the vision is to provide:

- Opportunities for every public housing resident to work in order to reduce the number of households needing housing assistance, as well as a reduction in the

number of individuals who return to the waiting lists and increase the numbers of families transitioning to self reliance.

- Resources that will improve the education of more than 11,000 children residing in public housing with a goal to increase the graduation rate from high school in order to break the cycle of intergenerational poverty.
- Production of additional affordable housing units to address the need to serve the growing number of households presently in Charlotte and relocating to the area that cannot afford market rate housing.

Self Sufficiency Strategies

In the 2009 – 2010 MTW Annual Plan, CHA requested HUD approval to implement a Work Requirement to all non-elderly/non-disabled persons served by the Authority. Current data on our family heads of household show that 34% have income from wages, while 43% depend on income from programs commonly referred to as welfare, disability, or other income (i.e. child support). Twenty-six (26%) percent of our current family households report no income at all. CHA believes that a policy which enforces the expectation to work will be the most effective method to move families to self reliance. There will be strong financial incentives for families to work full time and increase their earnings. Additionally, CHA will create a mechanism for families to build assets as their earnings grow.

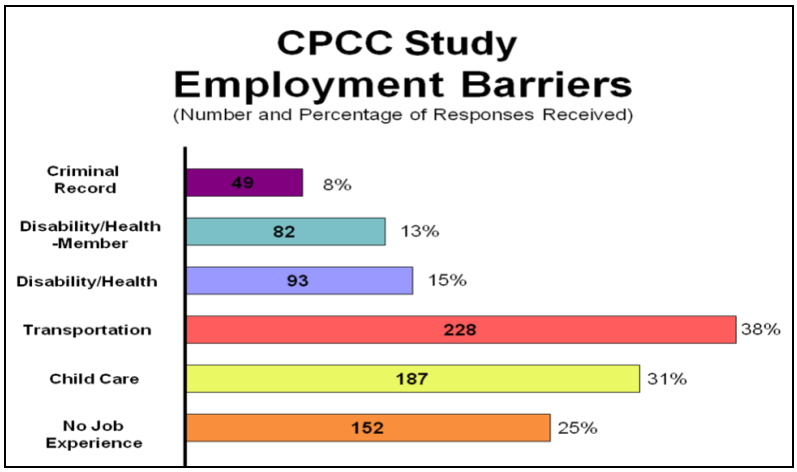
CHA recognizes that some families will need assistance preparing for work and finding a job, therefore, a work support program has been put in place through the Client Services Department to individually assess the extent of any barriers to work. Those who are not prepared will be assigned other work participation activities to help them prepare for work, including life skills education and short-term vocational training.

The CHA Client Services Department offers self-sufficiency programs for our low income families and supportive services to our disabled and elderly residents. Presently, the Client Services Department and case management companies provide high quality case management services to more than 850 family heads of household every year and coordinates caring and creative service provision to more than 1,000 elderly and disabled residents. Client Services has implemented a Currents of Change program to address the different tiers of skills within our households. Client Services administers the Resident Opportunity for Self Sufficiency (ROSS) Program, Elderly/Disabled Service Coordinator Program, Family Self Sufficiency Programs for HOPE VI, Section 8 and public housing residents and a scholarship program for CHA youth to attend college, vocational or technical schools.

In order to begin to focus on how case management will be framed to serve the additional masses of households that will be impacted by the Work Requirement, the Charlotte Housing Authority has entered into discussions with our larger service providers to ensure effective case management will be provided to CHA residents transitioning to work. The case management model being considered will consist of a pilot project at one or all of

three existing CHA sites: Boulevard Homes (approx. 300 families), Dillehay Courts (approx. 150 families) and Southside Homes (approx. 300 families).

In the 2007 public housing survey, Central Piedmont Community College (CPCC) asked participants to indicate why they were not working. The overwhelming response of 38% of respondents was transportation. The second leading barrier was childcare. This is a direct contrast to the leading employment barriers (health and training) reported by Section 8 recipients in 2008.

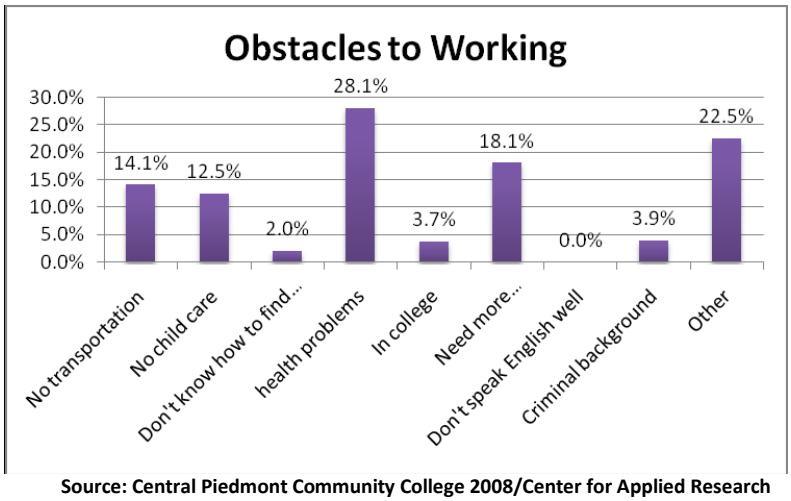


Source: Central Piedmont Community College 2007/Center for Applied Research

CHA applied for and received a $100,859 Jobs Access and Reverse Commute grant from the Charlotte Area Transportation System (CATS) in 2008. The award, which was received in March 2009, will be used to help remove one of these barriers to employment by providing bus passes to an anticipated 2,632 residents within the public housing and Section 8 to attend job interviews, job training or work. The bus passes will be an incentive for those already working.

CHA does not have a solution to the child care issue, however, assistance is provided to those who have a need and are already employed or in training if supportive services funding is available.

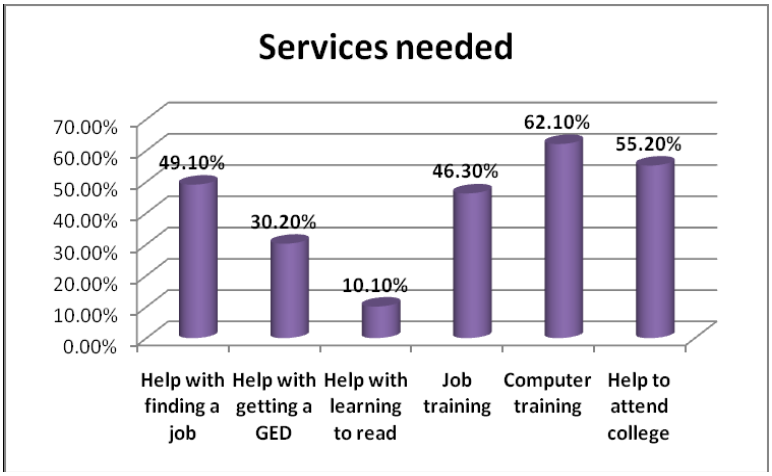
In the 2008 Section 8 Assessment conducted by Central Piedmont Community College, respondents reported that the most common barriers to getting or maintaining employment were health problems (28.1%), needing more training (18.1%), and "other" reasons not given as an option in the question such as "just had a baby," "trying to start my own business," "looking," "companies not hiring," and "the economy." Other obstacles to working were no transportation (14.1%) and no childcare (12.5%)



Source: Central Piedmont Community College 2008/Center for Applied Research

Other reported needs included:

- 62.1% of respondents wanted computer training
- 46.3% or respondents wanted job training
- 55.2% of respondents wanted help to attend college
- 49.1% of respondents wanted help finding a job or a different job
- 30.2% of respondents wanted help getting their GED
- 10.1% of respondents wanted help learning to read



Source: Central Piedmont Community College 2008/Center for Applied Research

The success of self-sufficiency initiatives will be evaluated based on:

1. The employment rate for able-bodied heads of households and other family members

2. The number of family members in training and/or education programs

3. The increase in average and median income of families (all sources and earned income) (excluding seniors & disabled families)

4. Amount of funds leveraged for supportive services

Educating Children

The majority of CHA residents are youth under the age of 18. They represent almost 50% of the total CHA population with Section 8 housing 6,048 youth and public housing reports 1,918. Many of the programs or partners being explored are targeted towards enriching the lives of the CHA youth.

CHA recognizes that in order to break the cycle of poverty, more resources have to be invested into our youth to ensure they are prepared to enter primary school, graduate from high school and matriculate to secondary education, vocational programs or employment.

The Charlotte Housing Authority (CHA) is applying for a $20 million federal HOPE VI grant in 2009 for the redevelopment of its Boulevard Homes property. The envisioned redevelopment represents a *unique partnership between CHA and the Charlotte Mecklenburg School System (CMS)* to create an education-centered mixed-income community with a comprehensive services approach. The "education village" will be designed to connect multiple generations at every stage of learning - the village brings together a signature Pre-K – 8 model school, a childcare/early childhood development center and a state-of the-art community center.

Measures of success for the youth include:

1. The number of children who enter post secondary education

2. Percent increase in CHA students that enter the Charlotte Housing Authority Scholarship Fund program

Enhancing the Portfolio

The Charlotte Housing Authority's Real Estate Development Division's long term plans involve strategies to create safe environments that are economically self-sustaining and interface with the private sector. CHA's goal is to promote the de-concentration of affordable housing in both the concentration of low-income housing in particular areas of the City and the concentration of many low-income units in one asset. In order to increase the supply of housing, Real Estate Development Division has adopted mixed income as the preferred development model and has concentrated on increasing partnerships for production. Land sales proceeds are divided between preservation and production.

The department has a strong record in mixed finance development and leveraging resources that has resulted in the creation of approximately 1,000 public housing units in 18 new mixed-income communities in the past 10 years. This includes four successful

HOPE VI redevelopments of former public housing complexes. This year CHA's most recent HOPE VI, Seigle Point, was recognized as winner of the National Development Council's Innovative Affordable Housing Project Showcase.

The Real Estate Development Division will measure their efforts to decrease deconcentration by tracking:

1. The number of housing units in mixed-income environments

2. The local geographic distribution of housing units and housing opportunities in Section 9 and Project Based Section 8

IV. Proposed MTW Activities

There are no applicable activities for the Annual Report.

V. Ongoing MTW Activities: HUD approval previously granted

Increased Operational Efficiency and Cost Savings Initiatives

The following initiatives were designed with the intent to meet the MTW objective of achieving administrative efficiencies and cost savings. Initiatives were developed across departments to identify opportunities to refine processes and procedures.

FINANCE AND ADMINISTRATION

SINGLE FUND BUDGET WITH FULL FLEXIBILITY INITIATIVE

A. Describe any activities that were proposed in the Plan, approved by HUD, but not implemented, and discuss why these were not pursued.

The *Single Fund Budget with Full Flexibility* was approved for implementation in the 2008 – 2009 MTW Annual Plan.

B. Describe each ongoing and completed (within the FY) MTW activity.

A single fund budget was established and adopted and approved by CHA Board of Commissioners for the fiscal year 2008-2009. CHA is able to determine the areas of greatest need for use of the limited resources with the creation of a single fund budget with full flexibility. CHA considers this activity complete in regards to the establishment of the activity, but will continue to use the single fund budget with full flexibility.

C. Describe how the ongoing activity relates to at least one of the three statutory objectives.

By creating a single fund budget with full flexibility, CHA has achieved local flexibility in the design and administration of housing assistance to eligible families, thus reducing cost and achieving greater cost effectiveness in Federal expenditures.

D. Analyze the actual impact of each ongoing MTW activity on the stated objective.

The greatest impact of single fund budget with full flexibility was the provision for CHA to combine funding in order to fund services and initiatives that may have been in jeopardy of delay or deletion. Specific actions were:

1. Administrative expenditures increased and Transfer Out Capital Projects decreased to fund cost for the Boulevard project which included traffic studies and rezoning.
2. Implementation of MTW Initiatives increased by $4,907,664 and Transfer Out Capital Projects increased by $3,146,720 to fund future MTW projects and to fund Robinsdale and Southside Homes renovation projects.
3. Transfer Out Capital Projects increased by $796,812 for the Victoria Square, Southside Homes, Edwin Towers projects and decreased by $1,083,361 for Loans to Others for the Seneca Woods and Fairmarket Square projects.

4. Transfer Out Other increased by $36,309 to provide matching funds for a Bus Pass Grant received from the Charlotte Area Transit System.

E. If benchmarks were not achieved or if the activity was determined ineffective provide a narrative explanation of the challenges, and, if possible, identify potential new strategies that might be more effective.

This activity was determined effective. Proration of subsidy is always a challenge for public housing agencies; however, through funding flexibility internal AMP are funded at 100% of calculated subsidy.

F. Evaluate the actual performance versus the target benchmark goals, the originally established baseline, and the previous year's performance.

The establishment of the MTW budget allows asset management projects (AMP) to be funded at amounts that would not have been possible without this funding flexibility. Capital funds were budgeted to be utilized in the MTW program in the amount of $8,054,384. See Table F1 on the following page for comparison of the originally approved 2008- 2009 budget and the actual budget at the end of the fiscal year.

Table F1 CHA MTW 2008 – 2009 Single Fund Budget with Full Flexibility

	APRIL 2008-MARCH 2009	APRIL 2008-MARCH 2009
REVENUE	**BUDGET**	**REVISED**
Public Housing Operating Subsidy	13,496,225	10,450,322
Section 8 HAP Subsidy	39,540,611	37,167,683
Section 8 Administrative Fees	2,310,909	2,343,223
Capital Fund	4,915,755	13,393,353
Interest Income	-	335,000
Total MTW Income	**60,263,500**	**63,689,584**
Other Sources of Funds		
Appropriate Fund Balance - MTW Funds	-	14,532,781
Total Other Sources	-	**14,532,781**
TOTAL REVENUE	**60,263,500**	**78,222,365**
EXPENSES:		
Administrative:	154,292	1,270,719
**Implementation of MTW Initiatives:	12,403,681	9,903,504
Capitalized Items	-	50,000
TOTAL OPERATING EXPENSES BEFORE OTHER ITEMS:	**12,557,973**	**11,224,223**
Other Items:		
Operating Transfers Out - Public Housing	14,622,223	13,559,417
Transfer Out - Capital Projects		19,113,921
Transfer Out - Other		100,859
Loans To Others		1,083,361
Operating Transfers Out - Section 8	33,083,304	33,140,584
Total Other Items	**47,705,527**	**66,998,142**
TOTAL EXPENSES:	**60,263,500**	**78,222,365**

**The line item Implementation of MTW Initiatives- acted as a place holder for funds used for MTW initiatives and other projects eligible for MTW funding. Single Fund Budget with Full Flexibility allowed CHA to combine funding to be used for initiatives and other projects.

G. Using the metrics proposed in the Plan, evaluate the effectiveness of the activity in achieving the statutory objective it relates to.

Based on the various financial reports and the annual audit, CHA has determined that the use of single fund budget with full flexibility has reduced cost and achieving greater cost effectiveness in Federal expenditures.

H. Cite the specific provision(s) of the Act or regulation that is waived under MTW (as detailed in Attachment C or D of this Restated Agreement) that authorized the Agency to make the change…

Attachment C: Section B. Authorizations Related to Both Public Housing and Section 8 Section 8s: 1. Single Fund Budget with Full Flexibility: *This authorization waives certain provisions of Sections 8 and 9 of the 1937 Act and 24 C.F.R. 905, 982, and 990 as necessary to implement the Agency's Annual MTW Plan.*

The single fund budget with full flexibility waiver was necessary in order to combine funding which enabled CHA to fund services and initiatives that may have been in jeopardy of delay or deletion.

ADOPT INVESTMENT POLICIES CONSISTENT WITH STATE LAW INITIATIVE

A. Describe any activities that were proposed in the Plan, approved by HUD, but not implemented, and discuss why these were not pursued.

HUD approved the implementation of an investment policy consistent with North Carolina state law. The activity was implemented during the 2008 – 2009 MTW Annual Plan.

B. Describe each ongoing and completed (within the FY) MTW activity.

CHA adopted investment policies consistent with state law to the extent such policies are in compliance with applicable OMB circulars and other federal laws as a result of HUD approval of the 2008 – 2009 plan. CHA shall invest only in securities authorized under state law that will allow the flexibility to invest productively and efficiently. As relates to implementation, this initiative is complete.

C. Describe how this activity relates to at least one of the three statutory objectives.

Following this investment practice will reduce costs related to investing and achieve greater cost effectiveness in Federal expenditures, thus allowing CHA ability to give incentives to families with children where the head of household is working, seeking work, or is preparing for work and to increase housing choices for low-income families.

D. Analyze the actual impact of each ongoing MTW activity on the stated objective.

By utilizing investment policies consistent with state law CHA was able to capitalize on higher interest rates at a time when interest rates were extremely limited. This reduced cost and produced a higher net portfolio return which achieves greater cost effectiveness in Federal expenditures.

E. If benchmarks were not achieved or if the activity was determined ineffective provide a narrative explanation of the challenges, and, if possible, identify potential new strategies that might be more effective.

A higher interest rate was achieved. The activity was determined effective.

F. Evaluate the actual performance versus the target benchmark goals, the originally established baseline, and the previous year's performance.

CHA reviewed the 2007-2008 interest rates earned on investments utilized under the current HUD eligible investments by month. The Authority then tracked the 2008-2009 interest rates on similar HUD eligible investments during the year as well as the rates on the new North Carolina governmental entity eligible investments during the year. We were able to more than double the interest earnings on certain investments.

Performance Month	Standard	Achieved	Additional Interest Earned
October 08	.92%	2.9%	$15,422.56
November 08	.35%	2.5%	$17,647.41
December 08	.35%	1.86%	$12,970.89
January 09	.35%	1.45%	$9,530.13
February 09	.35%	1.08%	$5,330.25
March 09	.35%	.97%	$5,411.58

G. Using the metrics proposed in the Plan, evaluate the effectiveness of the activity in achieving the statutory objective it relates to.

CHA has created a table with the 2007-2008 HUD eligible investments interest rate data, 2008-2009 HUD eligible investments interest rate data, 2008-2009 North Carolina governmental entity eligible investments interest rate data and the difference in the two 2008-2009 interest rate columns. The data is then reviewed to see if a higher interest rate was achieved under the new portfolio strategy. CHA determined that the activity was effective due to the increased funding in MTW.

H. Cite the specific provision(s) of the Act or regulation that is waived under MTW (as detailed in Attachment C or D of this Restated Agreement) that authorized the Agency to make the change…

Attachment C: Section B. Authorizations Related to Both Public Housing and Section 8 Section 8s: 5. Investment Policies-*This authorization waives certain provisions of Section 6(c) (4) of the 1937 Act and 24 C.F.R. 982.156 as necessary to implement the Agency's Annual MTW Plan.*

MTW flexibility was required in order to enable the agency to invest in securities eligible under NC state law. This opened up more opportunities with a small amount of risk and higher returns. This allowed us to earn additional interest that we otherwise wouldn't have earned, which gives us more funding for MTW initiatives.

OPERATIONS

ALTERNATE REVIEW PROCESS INITIATIVE

A. Describe any activities that were proposed in the Plan, approved by HUD, but not implemented, and discuss why these were not pursued.

The *Alternate Review Process* was approved by HUD for the 2008 – 2009 fiscal year, however it has not been implemented because the final process has not been approved by the Board of Commissioners. CHA proposed beginning the alternate review process in April 2009. The original plan was to revise the CHA Section 8 Administrative Plan and Public Housing A & O by the end of February and submitting for the board review/approval during the April 2009 board meeting.

In February 2009, CHA decided that it would be more efficient to combine the Admissions and Continued Occupancy Plan with the Section 8 Administrative Plan and create one Housing Occupancy Plan. This document was drafted and submitted for public comment in March 2009 and submitted to the full board during the May 2009 Board meeting. The plan was not adopted by the Board and staff was asked to make revisions and resubmit for public comments. The plan will be presented to the full Board during the July 2009 board meeting and if approved, the alternate review process will be effective September 2009.

B. Describe the ongoing and completed (within the FY) MTW activity.

CHA proposes to conduct bi-annual recertification for elderly/disabled participants. Also, CHA proposes to conduct criminal background checks at recertification.

C. Describe how each ongoing activity relates to at least one of the three statutory objectives.

CHA has developed policy and submitted for Board approval whereby there will be a bi-annual reexamination process for elderly and disabled families. The CHA defines elderly and disabled families in its newly revised policy, also submitted for Board approval. By taking this action the CHA will achieve administrative efficiencies by focusing its reexamination efforts on those families who are not living on a fixed income and who are more likely to have incomes increases not being reported timely. The CHA also will achieve cost efficiencies by reducing the number of annual reexaminations conducted allowing staff to focus on working families identified as requiring intensive case management and/or who do not meet the minimum work requirement/training requirements established under this Plan.

D. Analyze the actual impact of each ongoing MTW activity on the stated objective.

The actual impact cannot be stated at this time since the activity was not implemented. However, it is anticipated that a reduction in the number of annual recertification's conducted during the year will allow the agency to utilize staff in case management assistance or other areas where staffing shortages exist. This initiative will affect all elderly and disabled applicants.

E. Evaluate the actual performance versus the target benchmark goals, the originally established baseline, and the previous year's performance.

The baseline is set between 2,000 -2,200 elderly and disabled public housing and section 8 persons. The benchmark is set at a reduction of 1,000 recertifications per year. CHA proposes that elderly/disabled residents will have annual recertifications reduced from annually to bi-annually beginning in July 2009.

F. If benchmarks were not achieved or if the activity was determined ineffective provide a narrative explanation of the challenges, and, if possible, identify potential new strategies that might be more effective.

The activity was not implemented; therefore CHA has not been able to determine effectiveness.

G. Using the metrics proposed in the Plan, evaluate the effectiveness of the activity in achieving the statutory objectives it relates to.

CHA's software system will be utilized to determine the number of Section 9 recertifications completed without alternate system. All documentation needed for initial and annual have been combined into one file for managers to issue. All re-certifications are now completed by the property management staff.

H. Cite the specific provision(s) of the Act or regulation that is waived under MTW that authorized the Agency to make the change, and briefly describe if and how the waived section of the Act or regulation was necessary to achieve the benchmark.

Attachment C: C. Authorizations Related to Public Housing Only, 4. Initial, Annual and Interim Income Review Process. The Agency is authorized to restructure the initial, annual and interim review process in the public housing program in order to affect the frequency of the reviews and the methods and process used to establish the integrity of the income information provided. In addition, the Agency is expressly authorized to adopt a local system of income verification in lieu of the current HUD system. *This authorization waives certain provisions of sections 3(a) (1) and 3(a) (2) of the 1937 Act and 24 C.F.R. 966.4 and 960.257, as necessary to implement the Agency's Annual MTW Plan.*

The waiver allows the agency to reduce the time spent on recertifications.

MODIFY SECTION 8 INSPECTION PROCEDURES INITIATIVE

A. Describe any activities that were proposed in the Plan, approved by HUD, but not implemented, and discuss why these were not pursued.

The activity to *Modify Section 8 Inspection Procedures* was approved by HUD and implemented in the 2008 – 2009 fiscal year.

B. Describe the ongoing and completed (within the FY) MTW activity.

CHA proposed and received HUD approval to waive the requirement for an initial Housing Quality Standards (HQS) inspection on newly constructed Project Based Section 8 units and utilize local Building Standard's inspection and subsequent issuance of a Certificate of Occupancy (CO) as a substitution of the initial or move-in inspection.

Savings of approximately $50 per unit are generated as a result of the alternate inspection process for "new-construction-new move-in". The activity will continue to be ongoing.

C. Describe how the ongoing activity relates to at least one of the three statutory objectives.

By utilizing the CO on new construction, the cost to CHA will be reduced because the County provides a complete building inspection to issue a CO. This will reduce cost and achieve greater cost effectiveness in Federal expenditures.

D. Analyze the actual impact of each ongoing MTW activity on the stated objective.

The alternate inspection process was used for 60 new units at 940 Brevard (which is 100% leased) and 18 new units at Seigle Point Apartment Homes. The estimated savings for the above two properties is $3,900.00 (78 units x $50).

E. Evaluate the actual performance versus the target benchmark goals, the originally established baseline, and the previous year's performance.

CHA's benchmark for the fiscal year 2008-2009 was approximately 20 percent of the units. The alternate inspection process was used on 78 of 304 units resulting in a performance benchmark of 25 percent of the units.

F. If benchmarks were not achieved or if the activity was determined ineffective provide a narrative explanation of the challenges, and, if possible, identify potential new strategies that might be more effective.

The benchmark was achieved and the activity was determined effective.

G. Using the metrics proposed in the Plan, evaluate the effectiveness of the activity in achieving the statutory objectives it relates to.

The objective was to reduce cost and achieve greater cost effectiveness in Federal expenditures. The calculated savings is $3,900.00 (78 units x $50).

H. Cite the specific provision(s) of the Act or regulation that is waived under MTW that authorized the Agency to make the change, and briefly describe if and how the waived section of the Act or regulation was necessary to achieve the benchmark.

Attachment C: Section D. Authorizations Related to Section 8 Section 8s Only, 5. Ability to Certify Housing Quality Standards. The Agency is authorized to certify that housing assisted under MTW will meet housing quality standards established or approved by HUD. The certification form will be approved or provided by HUD. *This authorization waives certain provisions of Section 8(o) (8) of the 1937 Act and 24 C.F.R. 982, Subpart I as necessary to implement the Agency's Annual MTW Plan*.

The waiver was necessary to forego the HQS inspections.

REAL ESTATE

MORE AGGRESSIVE USE OF PROJECT-BASED SECTION 8 INITIATIVES

A. Describe any activities that were proposed in the Plan, approved by HUD, but not implemented, and discuss why these were not pursued.

This activity was approved by HUD and implemented in the 2008 – 2009 MTW Annual Plan.

B. Describe the ongoing and completed (within the FY) MTW activity.

a) Streamline Project-Based Section 8 Process

CHA has adopted a new Project Based Section 8 Process in accordance with this MTW Initiative. As described in prior plans, the goal of this initiative is to place as many Community Based Rental Assistance units as possible in the following areas:

- "Stable" communities, as defined by the city of Charlotte's Quality of Life Study
- Neighborhoods with an active revitalization plan
- Neighborhoods along Charlotte's new transportation corridors, including light rail

For families, placing an emphasis on "stable" neighborhoods will lead to better access to amenities and higher performing schools. For the community, this will promote deconcentration of CHA's tenant assistance portfolio.

This initiative is described in two components, based on the ownership of the units. CHA will seek Board approval of the number of units to be project-based on an annual basis. We are requesting authorization to project-base 200 units in the second year of MTW operations (FY09-10).

In line with the second MTW statutory objective of self-sufficiency, CHA limits family resident participation in this project-based Section 8 program to families in which at least one household member is working or participating in a training program for a minimum number of hours/week to be determined through the first year of MTW planning. The family would also be required to participate in a Family Self-Sufficiency Program. This work/training and FSS requirement would not apply to seniors units or to housing for persons with disabilities or other special needs populations.

Units Owned by CHA: CHA will project-base Section 8 at properties owned directly or indirectly (through participation as a member in a tax credit or other LLC), subject only to HUD subsidy-layering rules. No process through the local field office will be required. CHA will certify compliance with subsidy layering rules.

Units not owned by CHA: Where CHA is not directly or indirectly an owner, CHA staff will rely on the North Carolina Housing Finance Agency (NCHFA) tax credit process as its

competitive process. In non-tax credit deals with local City government funding, CHA will rely on the City's Housing Trust Fund competitive process. Where no tax credits or City funds are present, but the development has AHP funding, CHA will rely on that competitive process for approval. As long as the units are approved through one of these processes and meet the minimum standards outlined in the attached Community Based Rental Assistance Policy, no process through the local field office is required except to submit the deal for subsidy laying review and approval. Where there is no other competitive process present, CHA has designed its own competitive process and is submitting a description of that process to HUD Headquarters for approval in the attached Community Based Rental Assistance Policy. The criteria mirror the goals of placing units in stable neighborhoods and requiring self-sufficiency programs for family units.

Whether units are owned by CHA or by another entity, we will rate the availability of amenities in the neighborhood using the City of Charlotte's neighborhood assessment tool by which they rate neighborhoods as stable, transitioning or challenged. The goal is to place as many units in stable neighborhoods as possible. Where units are placed in other neighborhoods, we will provide information on whether there is an active neighborhood revitalization plan.

In the first year of the MTW program, CHA continued to use the Site Selection Standards currently set forth in 24 CFR Section 983.57. CHA would like to reserve the ability to study the impact of these rules on the first few years of production, and possibly develop a new set of standards in accordance with Attachment C-D (7)(c) in subsequent years of the MTW program.

C. Describe how the ongoing activity relates to at least one of the three statutory objectives.

This initiative will enable CHA to reduce cost and achieve greater cost effectiveness in Federal expenditures: CHA anticipates that a simple, streamlined process will (1) encourage more non-profit and for-profit developers to participate in the program, which will increase market penetration; (2) create incentives for self-sufficiency by requiring that participating families meet a work requirement and participate in an FSS program; (3) increase housing choices for low-income families in stable, high amenity neighborhoods and especially along Charlotte's new transportation corridors.

D. Analyze the actual impact of the ongoing MTW activity on the stated objective.

Simplified selection processes made it significantly easier to maximize the number of Project Based Section 8 assisted units in higher quality units and in a larger number of high-amenity Charlotte neighborhoods.

1. Craig Avenue and McCreesh II provide supportive housing for homeless and special needs persons in stable neighborhoods.
2. Cherry Gardens allows seniors to stay in an older, established neighborhood with high amenities despite that has displaced a number of rental households.

3. The YWCA Families Together program provides comprehensive case management and supportive services to formerly homeless families. Each family's needs are identified in a comprehensive needs assessment and services are tailored to each family. The range of services includes mental health, child development, domestic violence and family counseling; childcare, emergency food referrals, health and medical services; job search, computer training, nutrition and stress management; and literacy, credit counseling and financial planning. The facility has staff and security 24 hours a day. Each family is expected to receive at least 5 hours of coordinated services every week through the program.

The criteria for obtaining a voucher at the end of the Families Together program are as follows:

1) Completion/Compliance in 1 year of Supportive Services received through Families Together
2) Agreement to participate in continued YWCA supportive services for a minimum of 12 months after exit
3) No outstanding balances of any utility accounts
4) Any past payable to Landlord(s) have been resolved either by payment in full or a satisfactory re-payment agreement
5) Significant progress on debt resolution/restructuring, if required
6) Thorough comprehension and proven success in managing personal budget
7) Have saved adequate funds to pay typical landlord deposit (approx. $600) and utility deposits
8) 6 continuous months of employment or enrollment in job training program or record of job search in combination or volunteer work
9) Adult enrolled in GED program, if required
10) Established parent involvement in child's education; documented attendance of parent/teacher conferences, involvement in afterschool programs, etc.
11) Clean criminal record (7 years back)

E. Evaluate the actual performance versus the target benchmark goals, the originally established baseline, and the previous year's performance.

We established the initial baseline at 228. This was the number of project-based Section 8 recently developed through voucher conversion and currently available in Charlotte. We measured the impact of this initiative by counting the number of additional units that are made available through this program in stable or positively transitioning, high amenity Charlotte neighborhoods on an annual basis.

Applications are proposed or in process for the following Project Based Section 8 potential developments:

Community	FY2008 - 2009	Neighborhood Type
McCreesh II	27 PBS8 efficiencies	Transitioning
YWCA Families Together	10 PBS8 2 and 3 BR	Stable

	apartments	
Craig Avenue/Open Door	10 PBS8 1 BR apartments	Stable
Cherry Seniors	13 PBS8 1 and 2 BR apartments	Stable
Total	**60**	

Note: The neighborhood type is established by the Neighborhood Quality of Life study commissioned each year by the City of Charlotte. The study evaluates social, crime, physical and economic conditions in Charlotte's neighborhoods. More information can be found at http://www.charmeck.org/Departments/Neighborhood+Dev/Sustain+Neighborhoods/Quality+of+Life/Home.htm.

F. If benchmarks were not achieved or if the activity was determined ineffective provide a narrative explanation of the challenges, and, if possible, identify potential new strategies that might be more effective.

There were an additional 32 units being considered during the fiscal year, however, CHA staff recommended and the Development Committee approved a 32-unit reduction of PBS8 in the Seigle Point Apartment Homes development at the July 2008 meeting. The reduction was made to create more of an income mix in the development.

G. Using the metrics proposed in the Plan, evaluate the effectiveness of the activity in achieving the statutory objectives it relates to.

The baseline was established in a chart. New units such as those referenced in Section E. will be added annually with an indication of whether they are in stable neighborhoods and/or whether they are enabling partnerships with local service providers, particularly special needs service providers.

H. Cite the specific provision(s) of the Act or regulation that is waived under MTW (as detailed in Attachment C or D of this Restated Agreement) that authorized the Agency to make the change…

Attachment C-D, #7, Sections (a); (b); (c) and (d): Establishment of an Agency MTW Section 8 Project-based Program. *This authorization waives certain provisions of Sections 8(o)(13)(B and D) of the 1937 Act and 24 C.F.R. 982.1, 982.102 and 24 C.F.R. Part 983; certain provisions of 24 C.F.R. 983.51*; Adopts site selection standards in accordance with Attachment C and in lieu of the Site Selection Standards currently set forth in 24 C.F.R. Section 983.57; and *waives certain provisions of Section 8(o)(8) of the 1937 Act and 24 C.F.R. 982 Subpart I as necessary to implement the Agency's Annual MTW Plan.*

The waiver is necessary to Project Base Section 8 when the site selection is not through a competitive process such as CHA ownership of units.

b) Implement the Requested MTW Operational Changes for Project-Based Section 8.

These proposed measures, including site-based waiting lists, etc., are described in full detail in the Operations section. CHA finalized an internal process for selection of Project-Based Section 8. The policy, Community Based Rental Assistance, details the criteria for Project-Based Section site and project selection. Additionally, CHA has hired a dedicated staff person to oversee Project-Based Section 8 agency wide. This staff person will conduct audits and reviews of partners with Project-Based Section 8 to ensure Compliance with the Code of Federal Regulations.

STREAMLINE THE DEMOLITION/DISPOSITION PROCESS INITIATIVE

A. Describe any activities that were proposed in the Plan, approved by HUD, but not implemented, and discuss why these were not pursued.

This activity, *Streamline the Demolition/Disposition Process,* was approved in the 2008 – 2009 MTW Annual Plan, however, the activity was not pursued because HUD has not published the new regulations - Streamlined Processing Instructions for Disposition, Demolition, and Disposition/Demolition Applications from MTW Agencies.

B. Describe the ongoing and completed (within the FY) MTW activity.

This initiative is related to localizing and streamlining development or evaluation processes to increase efficiency and reduce development time and cost. It will be especially important to the success of the Strategic Asset Decision Making Model that CHA have access to a streamlined demolition/disposition process. Delays in processing and/or the need to continue to go back and make changes to disposition applications as deal terms change create barriers to the quick and efficient disposition of properties in accordance with market conditions. Real Estate is evaluating the impact on our business. If at all possible we would request that the Mixed Finance group at HUD be empowered to grant demolition approval if the new proposed mixed income development is approved.

C. Describe how the ongoing activity relates to at least one of the three statutory objectives.

A streamlined process would reduce cost and achieve greater cost effectiveness in Federal expenditures and increase housing choices for low-income families.

D. Analyze the actual impact of each ongoing MTW activity on the stated objective.

CHA is still waiting on HUD's process, but anticipates that by eliminating the need for a separate demolition approval could cut three to six months of processing time out of pre-development. The shorter the pre-development time, the more cost-effective the end product will be.

E. Evaluate the actual performance versus the target benchmark goals, the originally established baseline, and the previous year's performance.

CHA anticipates filing 4 – 5 demolition/disposition applications in FY09-10 if the streamlined process is published.

F. If benchmarks were not achieved or if the activity was determined ineffective provide a narrative explanation of the challenges, and, if possible, identify potential new strategies that might be more effective.

CHA did submit a demolition/disposition application for Boulevard Homes in FY08-09; however, with the new regulations not in place, the normal process was used and CHA is anticipating a response from SAC within three months from filing.

G. Using the metrics proposed in the Plan, evaluate the effectiveness of the acidity in achieving the statutory objectives it relates to.

Data collection goals will be set after staff has reviewed the new HUD "streamlined processing instructions".

H. Cite the specific provision(s) of the Act or regulation that is waived under MTW (as detailed in Attachment C or D of this Restated Agreement) that authorized the Agency to make the change…

Attachment C-C.8.Streamlined Demolition and Disposition Procedures-The Agency may choose to follow HUD's "Streamlined Processing Instructions for Disposition, Demolition, and Disposition/Demolition Applications from MTW Agencies."

The waiver is needed to eliminate the need for a separate demolition approval which could cut three to six months of processing time out of pre-development.

STREAMLINE THE DEVELOPMENT APPROVAL PROCESS INITIATIVE

A. Describe any activities that were proposed in the Plan, approved by HUD, but not implemented, and discuss why these were not pursued.

The activity was approved and implemented in the 2008 – 2009 MTW Annual Plan.

B. Describe the ongoing and completed (within the FY) MTW activity.

To successfully increase the number of self-supporting affordable Section 8 and Section 9 units in Charlotte in support of the MTW initiatives, CHA proposed to use the new Evidentiary Waiver process approved by HUD in the Mixed Finance group for all transactions and requests that Mixed Finance staff at HUD be authorized to review the process without formal waiver approval from the HUD Secretary's office.

Real Estate intends to use the Evidentiary Waiver process for all future transactions. The process was successfully used for McAlpine, Glen Cove, Seneca Woods and Fairmarket Square.

C. Describe how the ongoing activity relates to at least one of the three statutory objectives.

This streamlined process will reduce cost and achieve greater cost effectiveness in Federal expenditures by using less staff and attorney time.

D. Analyze the actual impact of each ongoing MTW activity on the stated objective.

The two projects where the new Evidentiary Waiver was used produced a longer than expected evidentiary approval process. However CHA believes that these two projects had extenuating circumstances which caused the time lag in receiving their approval; both projects were rehabilitations and the evidentiary submission came at a time when the regional HUD office was working on closing a major project in New Orleans.

As a comparison, the CHA project at (940 Brevard) which was not an MTW Project, the new Evidentiary Waiver was used and the approval process was cut in half as compared to other CHA projects where the Evidentiary Waiver was not used.

CHA will continue to use, monitor and analyze the new Evidentiary Wavier process in the future developments and has confidence that the use of the waiver will shorten the approval process.

E. Evaluate the actual performance versus the target benchmark goals, the originally established baseline, and the previous year's performance.

The staff analyzed the Mixed Finance applications prior to the execution of the MTW agreement and compared them to Mixed Finance applications processed under the new procedures. Table R2 details the information.

Table R2

	Evidentiary Submission	Evidentiary Approval	Closing	Days from Submission to Approval
Using the Evidentiary Waiver Process				
Fairmarket Square	12/17/08	03/27/09	03/31/09	100
Seneca Woods	10/31/08	01/09/09	02/25/09	70
Using the Evidentiary Waiver Process (pre-MTW)				
940 Brevard	06/07/07	07/06/07	08/07/09	29
Not using the Evidentiary Waiver Process				
SpringCroft at Ashley Park (Live Oak Seniors)	11/19/07	01/15/08	01/23/08	57
Seigle Points Apartments Homes	09/05/07	10/31/07	11/01/07	56
McAden Park (Seigle 60)	11/29/05	02/09/06	05/22/06	146
South Oak Crossing	10/18/06	12/19/06	12/29/06	62

F. If benchmarks were not achieved or if the activity was determined ineffective provide a narrative explanation of the challenges, and, if possible, identify potential new strategies that might be more effective.

The two projects where the new Evidentiary Waiver was used produced a longer than expected evidentiary approval process. However CHA believes that these two projects had extenuating circumstances which caused the time lag in receiving their approval; both projects were rehabilitations and the evidentiary submission came at a time when the regional HUD office was working on closing a major project in New Orleans.

G. Using the metrics proposed in the Plan, evaluate the effectiveness of the activity in achieving the statutory objectives it relates to.

The staff measured time from the filing of the demo-dispo application to its final approval. It is believed that this is the appropriate evaluation method to determine the effectiveness and that when extenuating circumstances are not present, the activity will perform as projected.

H. Cite the specific provision(s) of the Act or regulation that is waived under MTW (as detailed in Attachment C or D of this Restated Agreement) that authorized the Agency to make the change…

Attachment C-C7 Simplification of the Development and Redevelopment Process for Public Housing. *This authorization waives certain provisions of Sections 4, 5, 9, 24, 32 and 35 of the 1937 Act and 24 C.F.R. 941 as necessary to implement the Agency's Annual MTW Plan.*

The waiver is needed in order to simplify steps in the process which will save the agency time and money.

DEVELOP LOCAL DESIGN STANDARDS INITIATIVE

A. Describe any activities that were proposed in the Plan, approved by HUD, but not implemented, and discuss why these were not pursued.

CHA received approval to implement this activity in the 2008 – 2009 MTW Annual Plan.

B. Describe the ongoing and completed (within the FY) MTW activity.

CHA adopted local design standards that correlate with other funding sources available in Charlotte and the state - primarily those of the North Carolina Housing Finance Agency. This eliminates the need to expend funding on multiple architectural reviews to ensure that various requirements are met. In addition, the NCHFA (www.NCHFA.org) standards are subject to a statewide public review and comment process each year to ensure that they meet changing building guidelines and local standards. As a state agency authorized to expend federal funds, the NCHFA guidelines meet all applicable federal requirements.

C. Describe how the ongoing activity relates to at least one of the three statutory objectives.

A consistent local design standard reduces cost and achieves greater cost effectiveness in Federal expenditures.

D. Analyze the actual impact of each ongoing MTW activity on the stated objective.

One set of local standards should eliminate the need for multiple, costly architectural reviews and still ensure a very high quality product.

E. Evaluate the actual performance versus the target benchmark goals, the originally established baseline, and the previous year's performance.

The actual benchmark was to develop Local Design Standards. The Charlotte Housing Authority MTW Local Design Standards Policy was approved by the Board of Commissioners on March 4, 2009. The Policy is attached as Attachment A.

F. If benchmarks were not achieved or if the activity was determined ineffective provide a narrative explanation of the challenges, and, if possible, identify potential new strategies that might be more effective.

The achieved benchmark was used to conduct preliminary design work for Savanna Woods and proposed renovations at the elderly sites. However, no multiple reviews have had to be done for Savanna Woods because no tax credits were received, so the agency will not be moving ahead with the proposed project. In regards to the elderly sites, the NCHFA standards were used, however, HUD approval has not been received on submitted proposed renovations yet, therefore, we are unable to report at this time whether there has been savings.

G. Using the metrics proposed in the Plan, evaluate the effectiveness of the activity in achieving the statutory objectives it relates to.

The staff will collect data on various design standards, as well as keep track of pertinent changes that are made to those standards.

H. Cite the specific provision(s) of the Act or regulation that is waived under MTW (as detailed in Attachment C or D of this Restated Agreement) that authorized the Agency to make the change…

Attachment C-C12. Design Guidelines-The Agency is authorized to establish reasonable and modest design guidelines, unit size guidelines and unit amenity guidelines for development and redevelopment activities that will replace HUD guidelines with guidelines that reflect local marketplace conditions for quality construction in its locality so long as all units meet housing quality standards approved by the Secretary. *This authorization waives certain provisions of Sections 4, 5, and 9 of the 1937 Act and 24 C.F.R. 941.202, 941.203, 941.401, and 941.403 as necessary to implement the Agency's Annual MTW Plan.*

The waiver was necessary to forego multiple architectural reviews to ensure that various requirements are met.

REVISE SUBSIDY STRUCTURE FOR DEVELOPMENTS IN WHICH CHA IS DIRECT DEVELOPER INITIATIVE

A. Describe any activities that were proposed in the Plan, approved by HUD, but not implemented, and discuss why these were not pursued.

CHA was approved for the activity in the 2008 – 2009 MTW Annual Plan. However, CHA has not yet implemented the direct development rental subsidy funding in new construction projects because of delays in the tax credit cycle. Expansion of the acquisition/rehab program was inhibited because of the pro-rata rule. CHA expects to increase this activity substantially in 2009 – 2010.

B. Describe the ongoing and completed (within the FY) MTW activity.

CHA has had a very successful history in HOPE VI mixed-income development. While every effort has been made to provide one for one replacement, the public housing inventory is still below the legislative cap. Given the extreme shortage of affordable units to families making less than 30% of median income in Charlotte, CHA would like to use this initiative to increase the economic feasibility of a limited number of transactions involving public housing subsidy, in which CHA would act as the direct developer.

CHA will design a new rent structure for new and rehabilitated Public Housing for working families who will pay 30% of their income for rent. For these developments, CHA will set its monthly rental subsidy at the average rent in the submarket in which the development is located. A portion of the rent would be paid by the PEL amount, but if the PEL is below the average rent in the submarket, or if the PEL is not fully funded in any given year, CHA would use MTW single fund budget to make up the difference. This would allow CHA to put unused public housing units on the ground (up to the statutory cap) and receive the related capital fund allocations. Ensuring that the rent stays at a set level increases the ability to finance the units with mortgage or other leveraged financing that could not be serviced at the lower rent levels.

C. Describe how the ongoing activity relates to at least one of the three statutory objectives.

The revised structure will reduce cost and achieve greater cost effectiveness in Federal expenditures by providing better leveraging and maximizing the housing available at 30% of median income and provide more housing choices for low income families.

D. Analyze the actual impact of each ongoing MTW activity on the stated objective.

If the initiative is successful, up to 400 units could be financed in this way over the course of the 10 year period. It is anticipated that no more than 50 units would be financed under the new housing initiative in the first MTW year.

E. Evaluate the actual performance versus the target benchmark goals, the originally established baseline, and the previous year's performance.

This is a production program; therefore, the baseline is set at zero (0). The benchmark will be the production of 50 units in year one and up to 400 units over the course of the 10 year period. Delays in the tax credit cycle and the pro rata rule prevented new projects this fiscal year.

An internal decision has been made to fully fund the PEL for projects in which CHA is the direct developer.

F. If benchmarks were not achieved or if the activity was determined ineffective provide a narrative explanation of the challenges, and, if possible, identify potential new strategies that might be more effective.

Delays in the tax credit cycle and the pro rata rule prevented new projects this fiscal year. CHA is petitioning HUD for a change in the pro rata rule. Looking at the initiative long term, CHA is still exploring potential sources for the funding gap to cover the additional operating subsidy due to inability to reserve MTW funds beyond the agreement period.

G. Using the metrics proposed in the Plan, evaluate the effectiveness of the activity in achieving the statutory objectives it relates to.

The staff will track the number and type of projects constructed or rehabilitated.

H. Cite the specific provision(s) of the Act or regulation that is waived under MTW (as detailed in Attachment C or D of this Restated Agreement) that authorized the Agency to make the change…

Attachment C-C7-Simplification of the Development and Redevelopment Process for Public Housing-*This authorization waives certain provisions of Sections 4, 5, 9, 24, 32 and 35 of the 1937 Act and 24 C.F.R. 941 as necessary to implement the Agency's Annual MTW Plan*. Attachment C-B, #1-Single Fund Budget with Full Flexibility-*This authorization waives certain provisions of Sections 8 and 9 of the 1937 Act and 24 C.F.R. 905, 982, and 990 as necessary to implement the Agency's Annual MTW Plan.*

Increase Work and Self-Sufficiency Among
Public Housing and Section 8 Participants Initiatives

The following initiatives were designed with the intent to meet the MTW objective of promoting work and self-sufficiency among public housing residents and Section 8 participants. Initiatives have been developed that provide the assistance, guidance and time needed for families to become self-sufficient.

SECTION 8

ASSESS SECTION 8 PROGRAM PARTICIPANTS

A. Describe any activities that were proposed in the Plan, approved by HUD, but not implemented, and discuss why these were not pursued.

CHA implemented the HUD approved *Assess Section 8 Program Participants* activity in the 2008 – 2009 MTW Annual Plan. This activity is completed and participants will be phased into the Currents of Change Case Management.

B. Describe the ongoing and completed (within the FY) MTW activity.

CHA completed an assessment of the Section 8 participants' needs in June 2008. The survey assessment was conducted and analyzed by Central Piedmont Community College's (CPCC) Center for Applied Research. The assessment was a key planning component to determine the types of services and programs families will need to assist them in becoming self-sufficient. The assessments measured the families' capacity to live independent of a housing subsidy. The Section 8 participants will be enrolled in the Currents of Change program where work plans for each able bodied, non elderly/disabled person will be developed to address self sufficiency needs.

C. Describe how the ongoing activity relates to at least one of the three statutory objectives.

By assessing the needs of the families CHA has the data needed to develop targeted programs, services and policies that will aid families in their quest to become self-sufficient. Thus far, 81% of all Section 8 participants have been assessed.

D. Analyze the actual impact of the ongoing MTW activity on the stated objective.

As a result of the assessments, CHA realizes there are a number of needs families have to becoming self-sufficient. Below is an abstract of the needs survey:

- 62.1% of respondents wanted computer training
- 46.3% or respondents wanted job training
- 55.2% of respondents wanted help to attend college
- 49.1% of respondents wanted help finding a job or a different job
- 30.2% of respondents wanted help getting their GED
- 10.1% of respondents wanted help learning to read

Based on the percentage of needs identified above, CHA is considering a new service delivery model with community partners that will serve a greater number of participants than current staffing levels can accommodate. In addition, the scope of services will be expanded to assist participants in being self reliant.

E. Evaluate the actual performance versus the target benchmark goals, the originally established baseline, and the previous year's performance.

The baseline was set at zero (0). This was an initial assessment. CHA has 4,260 authorized Section 8 vouchers (HCV) of which CHA's benchmark was to survey 80% or 3,425 program participants by December 2008.

After the survey was administered, CHA realized that the 128 Project-Based Section 8 families and 525 seniors/disabled needed to be removed from the survey resulting in a total of 3,607 Section 8 vouchers participants. CHA adjusted the 80% number to reflect the deducted households, bringing the benchmark to 2,886. As of December 2008, 3,294 or 91% of the participants have responded to the survey either online or through mail. Therefore, CHA has exceeded the targeted benchmark of 80%.

F. If benchmarks were not achieved or if the activity was determined ineffective provide a narrative explanation of the challenges, and if possible, identify potential new strategies that might be more effective.

The benchmark was achieved and the activity was determined effective since there was an overwhelming response to the survey. Completion of the survey allowed CHA to see the volume of participants that needed assistance to move toward self sufficiency, as well as the diverse needs of this population.

G. Using the metrics proposed in the Plan, evaluate the effectiveness of the activity in achieving the statutory objectives it relates to.

The proposed metrics included an initial letter and survey which were mailed June 2008 to all Section 8 households. A reminder post card was mailed the first and third week of August 2008. The survey consisted of 46 questions focused on Employment and Education, Family Responsibilities, Health, and Elderly and Disabled Residents in order to evaluate their capacity for independent living. The metric was deemed appropriate because it was the most efficient manner to reach the participants, and they had the opportunity to respond either by mail or online. Final analysis of the survey responses were presented by CPCC to the CHA Board of Commissioners in November 2008. The survey results indicated that the Section 8 participants primary needs are transportation, childcare and more education/training. This ensures that CHA's future activities incorporate strategies addressing these needs to facilitate their progress toward self reliance.

H. Cite the specific provision(s) of the Act or regulation that is waived under MTW (as detailed in Attachment C or D of this Restated Agreement) that authorized the Agency to make the change….

Attachment C: Section E: Authorizations Related to Family Self Sufficiency - The Agency is authorized to operate any of its existing self-sufficiency and training programs, including its Family Self-Sufficiency (FSS) Program and any successor programs exempt from certain HUD program requirements. *This authorization waives certain provisions of Section 23 of the 1937 Act and 24 C.F.R. 984 as necessary to implement the Agency's Annual MTW Plan.*

The waiver was necessary to apply the programs to all participants as opposed to voluntary participation.

CLIENT SERVICES

CURRENTS OF CHANGE INITIATIVE

A. Describe any activities that were proposed in the Plan, approved by HUD, but not implemented, and discuss why these were not pursued.

The *Currents of Change* activity was approved by HUD and implemented during the fiscal year of April 1, 2008 – March 31, 2009.

B. Describe the ongoing and completed (within the FY) MTW activity.

Currents of Change offers job education and job training programs in three tiers based on participant needs. Tiers include basic building blocks, resources needed to enter his/her chosen career and assistance obtaining sustained income and housing independence. CHA collaborates with other service agencies to coordinate the delivery of services for our participants as they take the voyage from dependency to self-reliance. This also includes contracted case management due to the volume of families that will be required to participate in Currents of Change. It is an ongoing activity that may have program modifications, but will more than likely be pursued the entire agreement period.

Able non elderly/disabled persons who reside in our pilot communities will participate in the Currents of Change. A biological-psychological-social (bio-psych-soc) assessment tool is used to identify barriers and opens the doors for dialog and intervention between the household members and case manger. Questions have been sorted into the following categories: Personal Information, Adult Education, Employment, Legal/Financial Literacy, Youth Services, and Health/Wellness. These areas are the main categories which will be tracked.

This uniformed series of questions incorporates the HUD Triage Assessment components which assists case management staff in determining each household's level of need. Goals and outcome measures are then identified and developed in a work plan and the family is referred to known services in the community. As the participant achieves the pre-established benchmarks they are moved to the next level of services. This tiered approach to service delivery provides the participant the motivation necessary to move with the Currents of Change.

Participants of the current FSS program at CHA were moved into the new program at the appropriate levels. Central Piedmont Community College's (CPCC) Center for Applied Research completed an assessment of all families being served by public housing in 2006. The Section 8 household assessment results were received in January 2009. Residents are divided into four tiers.

- **Tier I:** Residents in this category will require more intensive services as they have the most severe and complex problems. The residents in this category will need long term services, intensive counseling and case management to assist them in achieving self sufficiency. These residents will start their Currents of Change journey in the Gateway Program.

- **Tier II:** Residents have at least two primary needs and three or more secondary needs. Residents in this category will need assistance in obtaining and maintaining employment. Life skills training will be key for this group to become self sufficient. Depending on their employment situation, residents in Tier II will start in the Gateway II program.

- **Tier III:** Residents do not have any primary needs and will only need minimal services to keep them informed of job opportunities and ongoing information. There is a low need for life skills training for this group to become self sufficient. These residents may be ready for Gateway III.

- **Tier IV:** Residents in this category are elderly or disabled. These families continue to need support and may be beyond the ability to live completely self-sufficient. Families with disabled individuals may be precluded from working or may have a family member who requires constant care so that neither the disabled individual nor the caregiver can provide for their own self-sufficient living. The families that may be able to find gainful employment and reach self-sufficiency will be handled on a case by case situation.

The numbers of participants participating in each Tier are documented in Table C1 below:

Table C1

Tier 1	Tier 2	Tier 3	Tier 4
209	171	137	0

C. Describe how each ongoing activity relates to at least one of the three statutory objectives.

Currents of Change is related to the statutory objective to promote work and self sufficiency among public housing and Section 8 program participants. The program components will provide Moving Forward or Currents of Change program participants the incentive to improve their life skills, education and employment opportunities which will help them become self-sufficient, resulting in their ability to move up and out of public housing. This movement will allow new families the opportunity for safe, decent and affordable housing while acquiring the necessary skills to also become self-reliant.

D. Analyze the actual impact of each ongoing MTW activity on the stated objective.

The anticipated impact on families participating in the Currents of Change program has been realized as evidenced in the benchmarks in Table C2. Participants have increased employment, education and social skills to continue on a path to self-sufficiency. Families have also graduated into homeownership and private market rental, allowing units to become available to new families on the waiting lists.

E. Evaluate the actual performance versus the target benchmark goals, the originally established baseline, and the previous year's performance.

The baseline was set at zero (0) since there were no participants in the program when the 2008 – 2009 MTW Annual Plan was approved. The benchmark was to enroll 200 Public Housing and Section 8 families excluding elderly /disabled families by February 2009. At the end of the fiscal year, March 31, 2009, there were 267 persons enrolled in Currents of Change. The number fluctuated because of graduations, withdrawals and terminations. See Table C2 for the number of participants and categories in the Currents of Change Program.

Table C2

Category	Number of Participants	Projected Benchmark	Actual Benchmark
Participants	267	200	267 - 517
Graduated into Homeownership		0	3
Moved to Private Rental		0	2
Job Fairs, Job University, Career Counseling Participation		0	267
Enrolled in GED		0	12
Enrolled in career enhancing classes		0	103
Received Program Certificates		0	9
Established Escrow Accounts		0	51
Employed Part time		0	48
Employed Full time		0	168

F. If benchmarks were not achieved or if the activity was determined ineffective provide a narrative explanation of the challenges, and, if possible, identify potential new strategies that might be more effective.

The Currents of Change Program benchmarks were achieved; however, as currently structured it cannot serve the large aggregate amount of households which need education or employment to move forward on a path to self-sufficiency. Therefore, a major component of the program such as case management was reevaluated. In 2009, CHA will solicit bids for private case management in order to serve a higher number of residents in greater capacity.

G. Using the metrics proposed in the Plan, evaluate the effectiveness of the activity in achieving the statutory objective it relates to.

CHA proposed collecting data through assessments and social services databases, as well as upfitting the YARDI tracking software to maintain detailed records of individual progression. At the end of the fiscal year, the YARDI software upfit was not completed to allow CHA to adequately evaluate the effectiveness of the activity in promoting work and self sufficiency among participants.

H. Cite the specific provision(s) of the Act or regulation that is waived under MTW (as detailed in Attachment C or D of this Restated Agreement) that authorized the Agency to make the change…

Attachment C: Section B. Authorizations Related to Both Public Housing and Section 8 Section 8s: 1. Single Fund Budget with Full Flexibility: *This authorization waives certain provisions of Sections 8 and* ***9*** *of the* ***1937*** *Act and* ***24 C.F.R. 905, 982, and 990*** *as necessary to implement the Agency's Annual MTW Plan.*

The waiver was necessary in order to utilize the funds where the need existed.

YOUTH SERVICES INITIATIVE

A. Describe any activities that were proposed in the Plan, approved by HUD, but not implemented, and discuss why these were not pursued.

In the 2008-2009 MTW Annual Plan, CHA received approval to partner with other agencies to create a *Cooperative Agreement* that connects CHA with participants to programs and services that address truancy, post-secondary education preparation, and academic performance improvement.

B. Describe the ongoing and completed (within the FY) MTW activity.

The Charlotte Housing Authority is focused on providing services for youth that are assisted by CHA housing programs as a means to help break the cycle of poverty. CHA collaborated with Charlotte-Mecklenburg Schools (CMS), Communities in Schools of Charlotte-Mecklenburg, Inc. (CIS) Partners in Out-of-School Time (POST) and the Charlotte Housing Authority Scholarship Foundation (CHASF) to craft a cooperative agreement that outlines the roles and responsibilities for all partners. The partnership was formed with the following goals in mind:

- Establish and implement a policy to reduce truancy
- Offer youth programs and services that will benefit residents of CHA communities
- Develop and offer post-secondary education preparation for middle and high school students
- Establish a data sharing network that will enable parties to obtain essential data to aid in providing quality service and program development

C. Describe how the ongoing activity relates to at least one of the three statutory objectives.

The partnership should yield incentives to families with children where the head of household is working, is seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient. If the youth are stimulated while in the classroom and are engaged in constructive activities during out of school time, the parents can focus on providing for the family and a better quality of life. CHA would like to pool resources and avoid duplication of services. It is anticipated that the partnerships will result in the provision of educational programs and access to services for program participants.

D. Analyze the actual impact of each ongoing MTW activity on the stated objective.

The partnerships should yield incentives to families with children where the head of household is working, is seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient. If the youth are stimulated while in the classroom and are engaged in constructive activities during out of school time, the parents can focus on

providing for the family and a better quality of life. CHA would like to pool resources and avoid duplication of services. It is anticipated that the partnerships will result in the provision of educational programs and access to services for program participants.

1) Truancy

CHA is working with Charlotte-Mecklenburg Schools to determine how pervasive the "truancy" problem is for youth that receive any type of assistance from the Authority. CHA anticipates developing and enforcing a truancy policy. The enforcement of such a policy will involve a concerted effort from CHA, CMS, and the local court system.

2) School Programs

CHA strives to get more youth involved in programs offered by Communities In Schools. Communities In Schools (CIS) is the nation's largest and most effective dropout prevention organization, helping young people stay in school, successfully learn, and prepare for life by connecting needed community resources with schools. Communities In Schools (CIS) believes that all students need and deserve five basic resources to succeed in school and in life:

- A one-on-one relationship with a caring adult
- A safe place to learn and grow
- A healthy start – a healthy future
- A marketable skill to use upon graduation
- A chance to give back to peers and community

CHA will work with CIS to develop a pilot program during the 2009-2010 academic year.

3) Achievement Academy

CHA is exploring an Achievement Academy for rising 6th or 9th grade CHA youth who are behind in school. The intent of the Achievement Academy is to provide early transition assistance to rising middle and high school students. Students participating in the event would attend an intense summer academy that will focus on leadership, health and nutrition and academics. Each student is assigned a caseworker during the school session.

4) Scholarships

The CHA Scholarship Fund (CHASF) offers financial aid and guidance to any young resident under 25 years of age attending or planning to attend college, technical, or vocational school. In 2008, 80 youth were offered scholarships of which 76 students accepted, for a total scholarship value of $136,800.00. Through the community youth partnership, the target is to increase the number of scholarship recipients by proving post-secondary opportunities and mentoring.

5) Out of School Programs

The **mission** of Partners in Out-of-School Time (POST) is to ensure that all school-age children and youth in Mecklenburg County have access to high-quality programs, activities, and opportunities when school is closed. "Out-of-School Time" refers to all of the hours before school, after school, teacher workdays, school holidays, weekends, and summers. **POST's purpose** is to build the capacity of individuals and organizations to provide high-quality out-of-school time programs, activities, and opportunities. POST will assist CHA with connecting youth to neighboring out of school programs.

E. Evaluate the actual performance versus the target benchmark goals, the originally established baseline, and the previous year's performance.

It was anticipated that the cooperative agreement would be executed August 2008. The execution timeframe was extended because it took longer than expected to create a framework that satisfied all partners. The final Agreement has been completed and was fully executed on September 26, 2008.

F. If benchmarks were not achieved or if the activity was determined ineffective provide a narrative explanation of the challenges, and, if possible, identify potential new strategies that might be more effective.

The benchmark was achieved and the activity was determined effective because of the types of programs and services presently in development. It was determined that the mentoring and tutoring relationships proposed in the 2009 – 2010 MTW Annual Plan will not occur due to budget cuts at partnering agencies and CHA's inability to fill these financial gaps.

G. Using the metrics proposed in the Plan, evaluate the effectiveness of the activity in achieving the statutory objective it relates to.

As programs are finalized, additional outcomes will be established. CHA anticipates that data collection will be done through a shared database that will be used to track those served by CHA, Charlotte-Mecklenburg Schools and identified programs. The new database will track the progress of the participants by all parties to the agreement. A mutual release form has been created and distributed to CHA participants to assist with the tracking.

H. Cite the specific provision(s) of the Act or regulation that is waived under MTW (as detailed in Attachment C or D of this Restated Agreement) that authorized the Agency to make the change…

Attachment B2: Partnership with For-Profit and Non-Profit Entities

The Agency may partner with for-profit and non-profit entities, subject to 24 C.F.R. Part 85 and 941.602(d), including, mixed-income, mixed-finance development partners and third party management companies, as well as affiliates and instrumentalities of the Agency ("Agency Partners"), to implement and develop all or some of the initiatives that may comprise the Agency's MTW Demonstration Program. The Agency may, with respect to MTW eligible activity and when working with or partnering with such partners, make available to Agency Partners the least restrictive regulatory requirements allowable based

on Agency's participation in the MTW Demonstration Program and that agreements with Agency Partners may reflect the implementation of less restrictive regulatory requirements. *This authorization waives certain provisions of Sections 13 and 35 of the 1937 Act and 24 C.F.R. 941 Subpart F as necessary to implement the Agency's Annual MTW Plan.*

The waiver was necessary to incentivize partnerships.

Expand Housing Choices Initiatives

The following initiatives were designed with the intent to meet the MTW objective of expand housing choices for low-income families and individuals. Promising strategies were developed and/or implemented to decrease current impediments to greater housing choice and increase applicant satisfaction.

OPERATIONS

SITE-BASED WAITING LISTS FOR PUBLIC HOUSING AND PROJECT-BASED SECTION 8 INITIATIVE

A. Describe any activities that were proposed in the Plan, approved by HUD, but not implemented, and discuss why these were not pursued.

All components of the *Site-Based Waiting Lists for Public Housing and Project-Based Section 8* activity were approved and implemented during the 2008 – 2009 fiscal year.

B. Describe each ongoing and completed (within the FY) MTW activity.

CHA established site based waiting lists for Public Housing in May 2008 and Project Based Section 8 in June 2008. Maintaining site-based waiting lists allows applicants to choose developments they want to reside in and apply on site. Management of the waiting lists is done at the site-level. Applicants for Project-Based Section 8 units sign up at the property level for housing units. Project Based Section 8 applicants do not come from the Authority's master Section 8 waiting list. This activity will be ongoing.

C. Describe how each ongoing activity relates to at least one of the three statutory objectives.

This activity has increased housing choices for low-income families. Allowing participants the freedom to choose where they want to live allows them to sign-up to live in a community that is geographically located to their desired school district, employer or other family members. It may also remove potential transportation barriers.

D. Analyze the actual impact of each ongoing MTW activity on the stated objective.

The change to site based waiting list allows the applicants additional housing choices. Prior to site based waiting lists, persons on the wait list were sent to the bottom of the wait list if they did not accept the first offer from the centralized waiting lists. With site based waiting lists, applicants will receive three offers before they are sent to the bottom of the lists or taken off the lists they may have signed up for.

E. Evaluate the actual performance versus the target benchmark goals, the originally established baseline, and the previous year's performance.

There were 2,121 members on the Public Housing waiting list at the time of HUD's approval. The implementation timeline was met as proposed. CHA has accomplished two major goals, (1) by allowing a family to sign up for as many lists as they want and receive three housing offers it provides a mechanism for those in serious need of housing to participate in a first available unit strategy and (2) it provides applicants the ability to be selective in their housing location.

F. If benchmarks were not achieved or if the activity was determined ineffective provide a narrative explanation of the challenges, and, if possible, identify potential new strategies that might be more effective.

The original benchmark to establish the site based waiting lists was achieved. By virtue of choice of 27 properties, as opposed to first available, CHA has determined that the change in operations has effectively increased the housing opportunities for family's participating in Section 9 rental subsidy. A negative aspect of the site based waiting list is the increased administrative burden on site managers. Site managers are now responsible for taking applications and checking the system for previous offers to persons on the waiting list when a unit at their site becomes open.

G. Using the metrics proposed in the Plan, evaluate the effectiveness of the activity in achieving the statutory objectives it relates to.

CHA's software system tracks site base waiting list for Section 9 units. CHA is working with Yardi to make programming changes to track the number of participants who accept first offer. CHA will work with local landlords and Socialserve.com to establish tracking of site based waiting list for Section 8. While the proposed metric is not in place, it became apparent during the master to site-base waitlist management that the choice of housing location is important. Many applicants consciously selected units in smaller sites and in better locations even though the unit availability at these sites would not be as high as other sites.

H. Cite the specific provision(s) of the Act or regulation that is waived under MTW (as detailed in Attachment C or D of this Restated Agreement) that authorized the Agency to make the change…

Attachment C: Section C. Authorizations Related to Public Housing Only Site Based or Geographic Area Waiting List System The Agency is authorized to implement a locally designed waiting list system that provides applicants with a reasonable choice of location

in accordance with title VI of the Civil Rights Act, the Fair Housing Act, and other applicable civil rights requirements, but in lieu of the specific procedural requirements of 24 C.F.R. Part 903. The Agency may implement additional site-based waiting lists under this MTW Agreement. This authorization waives certain provisions of Section 6(r) of the 1937 Act and 24 C.F.R. 903.7 as necessary to implement the Agency's Annual MTW Plan.

Attachment C: Section D. Authorizations Related to Section 8 Section 8s Only, 4. Waiting List Policies. The Agency is authorized to determine waiting list procedures, tenant selection procedures and criteria and preferences, including authorizing vouchers for relocation of witnesses and victims of crime. *This authorization waives certain provisions of Sections 8(o)(6), 8(o)(13)(J) and 8(o)(16) of the 1937 Act and 24 C.F.R. 982 Subpart E, 982.305 and 983 Subpart F as necessary to implement the Agency's Annual MTW Plan.*

The waiver is necessary because it authorizes the Agency to implement a locally designed waiting list system that provides applicants with a reasonable choice of location.

SECTION 8

PARTICIPANT AND LANDLORD TRACKING PROGRAM INITIATIVE

A. Describe any activities that were proposed in the Plan, approved by HUD, but not implemented, and discuss why these were not pursued.

This activity was approved and implemented in the 2007 – 2008 MTW Annual Plan.

B. Describe the ongoing and completed (within the FY) MTW activity.

The Charlotte Housing Authority partnered with the University of North Carolina at Charlotte (UNC Charlotte) to use Geographic Information Science (GIS) mapping to identify each voucher holder within Mecklenburg County. The purpose was to analyze the census tracts with a large number of Section 8 voucher holders. CHA intended to de-concentrate poverty by determining the current housing cost in non-concentrated census tracts and identify available affordable housing opportunities. Analysis of the data will be conducted to determine the need to increase fair market rents in specific census tracts. This phase of the activity is completed.

C. Describe how the ongoing activity relates to at least one of the three statutory objectives.

The Participant and Landlord Tracking system will assist in increasing housing choices for low-income families. Analysis of non-concentrated census tracts will help determine current housing cost and available affordable housing opportunities in non-concentrated areas. CHA expects that the fair market rents in these areas must be raised to attract more landlords in non-concentrated census tracts.

D. Analyze the actual impact of each ongoing MTW activity on the stated objective.

The impact has not yet been determined because there has not been enough data compiled to fully assess the market conditions in the areas of non concentration. The Charlotte Housing Authority anticipates an increase in the number of housing opportunities for low-income participants near higher rental areas within the county limits. This will aid in reducing the concentration of low-income families in one particular census tract in Mecklenburg County.

E. Evaluate the actual performance versus the target benchmark goals, the originally established baseline, and the previous year's performance.

Sufficient data has not been gathered to document the baseline or evaluate any benchmarks. Annual GIS reports are being compiled to assess the areas of voucher concentration. Preliminarily, based on the mapping results, CHA has determined that more than 120% FMR will be needed in order to serve higher income areas of the county.

F. If benchmarks were not achieved or if the activity was determined ineffective provide a narrative explanation of the challenges, and, if possible, identify new strategies that might be more effective.

Collection of enough viable data to determine all appropriate thresholds has been a challenge. Additionally, initial data has yielded that 120% of Fair Market Rents (FMR's) will not impact areas of low concentration because base rents are much higher. CHA is exploring new FMR's for Mecklenburg County based on market conditions and census track areas that reflect actual rental rates. This would help because the current FMR includes neighboring counties with lower rates.

G. Using the metrics proposed in the Plan, evaluate the effectiveness of the activity in achieving the statutory objectives it relates to.

The original baseline was to document the existing voucher clustering areas by December 2007. The contract for the service was executed in November 2007 and the database collection began in December 2007. The data is being compiled on a quarterly basis. Thus far, CHA has not achieved its objective to deconcentrate housing choice vouchers. The proposed method has provided information that has helped CHA propose a new strategy as outlined in F.

H. Cite the specific provision(s) of the Act or regulation that is waived under MTW (as detailed in Attachment C or D of this Restated Agreement) that authorized the Agency to make the change…

The authorization which gives CHA the flexibility to establish payment standards between 90 percent of fair market rental (FMR) and 120 percent of FMR by census tract instead of HUD established FMR jurisdiction for the Participant and Landlord Tracking Program is 42 U.S.C 1437f(o)(1)(B) and corresponding regulations at 24 C.F.R. § 982.503 (c) (2).

The waiver is necessary to achieve the benchmark because it reduces the concentration of vouchers in certain census tracts in Charlotte, increases housing choices for low-income families.

AFFORDABLE HOUSING IMPACT STUDIES INITIATIVE

A. Describe any activities that were proposed in the Plan, approved by HUD, but not implemented, and discuss why these were not pursued.

This activity was approved and implemented in the 2007 – 2008 MTW Annual Plan.

B. Describe each ongoing and completed (within the FY) MTW activity.

CHA commissioned University of North Carolina at Charlotte (UNCC) to design a research program to examine the affordable housing impact on neighboring property owners and the surrounding community. The local social and economic data and geographic information science (GIS) technology was used to create the framework for examining the pattern and density of affordable housing and measure the association between this housing stock and crime rates, housing and property values, and school equity in surrounding residential communities.

The Affordable Housing Impact Studies initiative is complete. UNC Charlotte utilized the most recent property values data, including sales information from the Mecklenburg County Property Tax Office, crime statistics from the Charlotte-Mecklenburg Police Department, and Charlotte-Mecklenburg Schools achievement data. The final study results were presented to the Charlotte Housing Authority Board of Commissioners in June 2008. This activity is completed.

C. Describe how the ongoing activity relates to at least one of the three statutory objectives.

The Affordable Housing Impact Studies is related to the statutory objective to expand housing choices for low-income families and individuals. In Charlotte, Section 8 participants have historically been concentrated in high poverty neighborhoods. This initiative enhances the availability of affordable housing in existing residential communities with lower-poverty, where a higher quality of life exists and opportunities to escape poverty are greater.

D. Analyze the actual impact of each ongoing MTW activity on the stated objective.

By analyzing this data, low-income families will be afforded the opportunity to have information that will aid in making decisions about desired areas that are impacted in the community. This should yield increased housing choices by families. During the briefings and Good Neighbors Training, CHA informs families of areas that are not concentrated with Section 8 vouchers. Through the voucher clustering tracking in initiative G.1, CHA will be able to note increases in areas outside of the high concentrated areas.

E. Evaluate the actual performance versus the target benchmark goals, the originally established baseline, and the previous year's performance.

The baseline for this initiative was set at zero (0). The benchmark was the receipt of three final reports: 1) Section 8 Households and the Relationship to Crime in Charlotte, NC 2) Section 8 Households and the Relationship to Property Values in Charlotte, NC 3) School

Quality and Affordable Housing in Charlotte, NC: A Spatial Assessment. The final presentations on the study results were presented to the Charlotte Housing Authority Board of Commissioners in June 2008.

F. If benchmarks were not achieved or if the activity was determined ineffective provide a narrative explanation of the challenges, and, if possible, identify new strategies that might be more effective.

Cumulatively reported, it was stated that overall, the crime data indicated that there was little evidence to support the perception that Section 8 households impact the property crime rates in surrounding neighborhoods. Furthermore, there was weak evidence that Section 8 households impact property values. It was noted that property values are influenced by multiple factors (property location, housing unit characteristics, neighborhood demographics, foreclosures, and neighborhood change). However, the overall impact is less than other neighborhood characteristics, homeownership, foreclosure, age of housing and proximity to center city. Findings from the school equity data indicate that increased property values and declining proportions of affordable housing stock have reduced the access to better quality neighborhood schools. The benchmarks were achieved and the activity has been determined to be effective based on the final three reports distributed to the Greater Charlotte Community.

G. Using the metrics proposed in the Plan, evaluate the effectiveness of the activity in achieving the statutory objectives it relates to.

CHA has been able to use these findings to refute opposition to the Section 8 program participants in Charlotte communities. These findings have been recited to the Charlotte-Mecklenburg Chief of Police, Charlotte City Council and Neighborhood Associates.

H. Cite the specific provision(s) of the Act or regulation that is waived under MTW (as detailed in Attachment C or D of this Restated Agreement) that authorized the Agency to make the change…

The authorization which gives CHA the flexibility to establish payment standards between 90 percent of fair market rental (FMR) and 120 percent of 120 FMR by census tract instead of HUD established FMR jurisdiction for the Affordable Housing Program Studies is 42 U.S.C 1437f(o)(1)(B) and corresponding regulations at 24 C.F.R. § 982.503 (c) (2).

The waiver is necessary to achieve the benchmark because it reduces the concentration of vouchers in certain census tracts in Charlotte, increases housing choices for low-income families.

SECTION 8 PROPERTY RATING SYSTEM INITIATIVE

A. Describe any activities that were proposed in the Plan, approved by HUD, but not implemented, and discuss why these were not pursued.

The *Section 8 Property Rating System* activity was approved and implemented during the 2007 – 2008 Fiscal Year.

B. Describe the ongoing and completed (within the FY) MTW activity.

The Section 8 Property Rating System was implemented to increase the housing quality standards of property owners participating in the Section 8 program. CHA has contracted with a local engineering firm, Professional Service Industries (PSI) to develop a quantitative evaluation rating system for the exterior appearance of a property using the City of Charlotte Code Enforcement Standards and U. S. Department of Housing and Urban Development Housing Quality Standards (HQS). The PSI conducts an inspection of the exterior of the structure, landscaping, foundation, sidewalk and driveway. A sample of properties from approximately 1,600 landlords will be inspected.

CHA has a system in place to ensure there are no serious problems with unit interiors. CHA has not eliminated or decreased interior inspections of Section 8 properties. HQS inspections continue to be conducted on the interior prior to voucher issuance, during the recertification period and if there are any participant complaints during the lease period. Re-inspections are completed after any failed inspections. The intent of the external inspections is to establish a system that provides a greater level of monitoring and enforcement for problem landlords.

C. Describe how the ongoing activity relates to at least one of the three statutory objectives.

The Section 8 Property Rating System relates to the expansion of housing choices for low-income families and achieving administrative cost efficiencies and savings. By continuously establishing a quantitative evaluation rating system for the exterior appearance of a property participating in the Section 8 program, landlords interested in participating or continue to participate in the Section 8 program will be required to ensure that the interior and exterior of the structure meets and continues to meet increased housing quality standards. Failure to do so will result in the unit potentially not being housing of choice for our low-income families. The more stringent housing quality standards are anticipated to improve the appearance and conditions of the properties and provide more housing opportunities, as well as reduce the number of trips to the property for re-inspection which improves efficiencies.

D. Analyze the actual impact of each ongoing MTW activity on the stated objective.

A complete property rating system was established that will allow CHA to assess inspected units using more stringent requirements. Substandard units will not be allowed to participate on the CHA Section 8 program. Through the use of improved HQS, the CHA will be able to reduce the number of unit transfers processed annually. CHA believes that property owners will improve and maintain the property conditions in anticipation of random exterior inspections. This will increase housing choices because it helps mitigate the stigma of run down or unkept properties. Landlord participation may increase 1) if they realize their property may not be torn up and 2) they will not be associated with something negative.

E. Evaluate the actual performance versus the target benchmark goals, the originally established baseline, and the previous year's performance.

The baseline was set at zero (0) since CHA was not using PSI to conduct exterior inspections. The benchmark was set at 200 evaluations per quarter, with a target of 800 inspections by March 31, 2009. At the conclusion of the fiscal year, March 31, 2009, 1,255 exterior inspections had been conducted. On average, CHA conducted 224 per quarter or 112% of the target benchmark.

The addition of a rating system will allow CHA the outcome information needed to track accomplishments on the activity. Although, some units may fail, causing an initial decrease in landlord participation, the improvement in Section 8 property appearances should encourage landlord participation from those who were concerned that their property would become run down or not wanting to be associated with the stigma of owning Section 8 property. Below are the inspections conducted that will be used to set CHA's baseline:

Total number of units inspected by PSI as of April 1, 2007-March 31, 2008

Score	# Units	Percentage
A	0	0%
B	107	29.6%
C	248	68.5%
D	7	1.9%
F	0	0%
Total	362	100

Total number of units inspected by PSI as of April 1, 2008-March 31, 2009

Score	# Units	Percentage
A	6	0.5%
B	578	54.6%
C	308	44.3%
D	1	0.6%
F	0	0%
Total	893	100

F. If benchmarks were not achieved or if the activity was determined ineffective provide a narrative explanation of the challenges, and, if possible, identify potential new strategies that might be more effective.

The benchmarks were achieved and the activity has been determined to be effective based on the improvements of properties in the program, as opposed to removals.

G. Using the metrics proposed in the Plan, evaluate the effectiveness of the activity in achieving the statutory objectives it relates to.

CHA uses Access database for PSI data. This data is used to compare properties that also fail the CHA interior inspections in order to determine whether they should remain or be removed from the program. The next step in this activity is to incorporate the PSI exterior inspection criteria into the CHA property inspections. In the fall of 2009, CHA will submit a revised inspection form for Board approval.

H. Cite the specific provision(s) of the Act or regulation that is waived under MTW (as detailed in Attachment C or D of this Restated Agreement) that authorized the Agency to make the change…

The Agency is authorized to certify that housing assisted under MTW will meet housing quality standards established or approved by HUD. This authorization waives certain provisions of Section 8 (o) (8) E of the 1937 Act and 24 C.F.R. Part 982, Subpart I, § 982.405 as necessary to implement the Agency's Annual MTW Plan.

This waiver is necessary to achieve the benchmark because it will result in a tool that CHA staff can use to evaluate properties to ensure that housing under the Section 8 program is maintained at a determined quality standard; thereby, increasing the number of quality housing choices for low-income families. It is noted that CHA has higher standards than traditional federal HQS.

SECTION 8 TRAINING INITIATIVE

A. Describe any activities that were proposed in the Plan, approved by HUD, but not implemented, and discuss why these were not pursued.

The *Section 8 Training* was approved by HUD in the 2007 – 2008 MTW Annual Plan. The Good Neighbors Training began April 2008.

B. Describe the ongoing and completed (within the FY) MTW activity.

CHA is working with Central Piedmont Community College (CPCC) to offer a "Good Neighbors" training to all applicants entering the program as a result of being pulled from the waiting list. The training is a component of the briefing that all participants must attend prior to the issuance of a Section 8 voucher. The training is designed to assist families in their acclimation into a neighborhood. Participants learn more about being a "Good Neighbor" by focusing on topic such as building codes and standards, property maintenance, basic zoning regulations, home maintenance and conflict resolution. In the fall of 2009, CHA will mandate this training for all incoming portable participants, all applicants selected from the CHA waiting list and all existing participants.

C. Describe how the ongoing activity relates to at least one of the three statutory objectives.

The Section 8 training program is related to the statutory objective to expand housing choices for low-income families and individuals. The issuance of a voucher will enable the participants to seek affordable housing.

D. Analyze the actual impact of each ongoing MTW activity on the stated objective.

It is too early to state the initiatives impact on the statutory objective. CHA anticipates that by training all of our families on how to be a good neighbor in the community that the community will be more accepting of our families residing in expanded areas throughout Mecklenburg County, particularly those areas where CHA has a small percentage of our families residing. Of the 579 families trained, 11 households (less than 2%) have been cited for some type of violations. These violations took place between June 10, 2008 and

December 9, 2008. This initiative is expected to maintain a participant's opportunity to expand their housing choice rather than to decrease it since lease or program violations can lead to terminations.

RELINQUISHED VOUCHER	180 DAYS UNASSESSED	REPAYMENT AGREEMENT	UNAUTHORIZED GUEST	HQS VIOLATION	WARNING LETTER
2	1	4	1	2	1

E. Evaluate the actual performance versus the target benchmark goals, the originally established baseline, and the previous year's performance.

The baseline for the initiative was set at zero (0). The established benchmark was to train at least 300 families by January 2009. As of the end of the fiscal year, March 31, 2009, a total of 579 Section 8 participants have been trained, well exceeding the benchmark goal. In the next fiscal year, CHA will establish a baseline of violations/terminations prior to the start of Good Neighbor Training and track the reduction in the number of nuisance complaints, violations, and terminations by 3% due to Good Neighbor training.

F. If benchmarks were not achieved or if the activity was determined ineffective provide a narrative explanation of the challenges, and, if possible, identify potential new strategies that might be more effective.

As indicated, the activity was achieved and preliminary indications are that the training is effective.

G. Using the metrics proposed in the Plan, evaluate the effectiveness of the activity in achieving the statutory objectives it relates to.

CHA is maintaining a record of all participants that complete the training. Attendance is taken at each session.

H. Cite the specific provision(s) of the Act or regulation that is waived under MTW (as detailed in Attachment C or D of this Restated Agreement) that authorized the Agency to make the change…

The authorizations which gives CHA the flexibility to utilize excess HAP funding to fund mandatory training for all Section 8 participants is 1437g(d)(1)(H) and corresponding regulations at 24 C.F.R. § 982.154 and § 982.157 (b) (ii).

This waiver is essential to achieving the benchmark because the activity assists families in their transition to various neighborhoods throughout Charlotte and curbs criticism of the program.

AMEND THE SECTION 8 HOUSING ASSISTANCE PAYMENT AGREEMENT INITIATIVE

A. Describe any activities that were proposed in the Plan, approved by HUD, but not implemented, and discuss why these were not pursued.

The CHA received approval to *Amend the Section 8 Housing Assistance Payment (HAP) Agreement*. The CHA proposed beginning using the revised HAP contract in April 2009. The original plan was to revise the CHA Section 8 Administrative Plan by the end of February 2009 and submitting for Board review/approval during the April 2009 full Board after having the Plan made public for the required "Public Comment Period". The CHA decided in February 2009 that it would be more efficient to combine the Admissions and Continued Occupancy Plan with the Section 8 Administrative Plan and create one Housing Occupancy Plan. This document was drafted and submitted for public comment in March 2009 and submitted to the full Board during the May 2009 Board meeting. The Plan was not adopted by the Board and staff was asked to make revisions and resubmit for public comments. The Plan will be presented to the full Board during the July 2009 Board meeting and if approved, the amendments to the HAP will be effective September 2009.

B. Describe each ongoing and completed (within the FY) MTW activity.

CHA is amending part A of the Housing Assistance Payment contract in order to require all landlords to participate in direct deposit; not entering into a contract in which the landlord does not agree to those terms; and adding language to clarify that CHA is not liable for payment for any period prior to the move in date authorized by CHA. This activity will be completed in the current fiscal year.

C. Describe how the ongoing activity relates to at least one of the three statutory objectives.

CHA will be able to achieve administrative efficiencies and cost savings by requiring landlords to participate in direct deposit and limiting the liability for payment effective dates. Additionally, the new inspection protocol will reduce follow-up inspections.

D. Analyze the actual impact of each ongoing MTW activity on the stated objective.

CHA had 78% of the landlords voluntarily participating in direct deposit prior to the HAP amendment. CHA currently has 93% of landlords on direct deposit and mails direct deposit notifications to each landlord. This activity has tremendously cut down on the number of checks that have to be voided and reissued, increasing administrative efficiencies and cost savings. The agency is hoping to implement an email direct deposit notification system for landlords in the future to further increase administrative efficiencies and cost savings by reducing costs associated with postage.

E. Evaluate the actual performance versus the target benchmark goals, the originally established baseline, and the previous year's performance.

The new HAP agreement has not been approved for implementation by the CHA Board of Commissioners.

F. If benchmarks were not achieved or if the activity was determined ineffective provide a narrative explanation of the challenges, and, if possible, identify potential new strategies that might be more effective.

CHA cannot determine the effectiveness of the activity until after a full year of implementation.

G. Using the metrics proposed in the Plan, evaluate the effectiveness of the activity in achieving the statutory objectives it relates.

CHA is unable to evaluate the effectiveness of the activity due to implementation stage.

H. Cite the specific provision(s) of the Act or regulation that is waived under MTW (as detailed in Attachment C or D of this Restated Agreement) that authorized the Agency to make the change…

Attachment C: Section D. Authorizations Related to Section 8 Only, 1. Ability to Certify Housing Quality Standards. The Agency is authorized to certify that housing assisted under MTW will meet housing quality standards established or approved by HUD. The certification form will be approved or provided by HUD. *This authorization waives certain provisions of Section 8(o) (8) of the 1937 Act and 24 C.F.R. 982, Subpart I as necessary to implement the Agency's Annual MTW Plan.*

The Agency is authorized to determine the term and content of Housing Assistance Payment (HAP) contracts to owners during the term of the MTW demonstration. However, any revised HAP contract should include language noting that the funding for the contract is subject to the availability of Appropriations. *This authorization waives certain provisions of Section 8(o) (7) of the 1937 Act and 24 C.F.R. 982.162 as necessary to implement the Agency's Annual MTW Plan*.

The Agency is authorized to define, adopt and implement a reexamination program. *This authorization waives certain provisions of Section 8(o) (5) of the 1937 Act and 24 C.F.R. 982.516 as necessary to implement the Agency's Annual MTW Plan.*

The waiver is necessary so that the Agency can create a locally designed Housing Assistance Payment (HAP) contracts to owners during the term of the MTW demonstration.

REAL ESTATE

USE SINGLE-FUND FUNDING FLEXIBILITY TO DEVELOP ADDITIONAL UNITS INITIATIVE

A. Describe any activities that were proposed in the Plan, approved by HUD, but not implemented, and discuss why these were not pursued.

This initiative was approved and implemented in the 2008 – 2009 MTW Annual Plan.

B. Describe each ongoing and completed (within the FY) MTW activity.

A key real estate initiative involves using block grant funding to leverage financing for the development of additional affordable housing units. These units will primarily be in mixed income developments and will be developed directly with CHA as developer or in

partnership with other qualified affordable housing developers. The goal is to produce on average, 100 units of new or rehabilitated affordable housing units each year of the MTW program. The units will be developed in a way that supports the overall goals of de-concentration of poverty and in locations that support our residents' efforts to move up and out of public housing.

C. Describe how the ongoing activity relates to at least one of the three statutory objectives.

The production of additional new units and the acquisition and rehabilitation of existing units will meet the statutory goal of increasing housing choices of low income families by adding 1000 new and rehabbed units to the affordable housing stock in Charlotte over the course of the 10 year MTW program.

D. Analyze the actual impact of the ongoing MTW activity on the stated objective.

The addition of 110 units (32 are Section 9) in mixed income communities with access to a variety of neighborhood amenities has positively impacted CHA's ability to offer increased housing choices for low income families.

E. Evaluate the actual performance versus the target benchmark goals, the originally established baseline, and the previous year's performance.

The baseline was set at zero for this unit production initiative. The benchmark goal was to add 100 new or rehabilitated affordable housing units financed through MTW funding. CHA actually acquired and converted 110 units to affordable housing units. The rehabilitation is not complete at Seneca Woods. These communities have good access to public transit, retail, and neighborhood schools. CHA's actual performance is illustrated in Table R1 below. CHA exceeded the benchmark by 60 units. CHA did not defer or eliminate any PHA activities to develop additional units.

Table R1

Acquisition	Total Section 9 Units	Total Housing Units at 60% or below AMI	Total Acquired Housing Units
Fairmarket Square	16	44	60
Seneca Woods	16	34	50
Total	**32**	**78**	**110**

F. If benchmarks were not achieved or if the activity was determined ineffective provide a narrative explanation of the challenges, and, if possible, identify potential new strategies that might be more effective.

CHA had planned to move much more aggressively into apartment acquisitions to take advantage of opportunities in the current market with the use of MTW funds. While HUD's approval of the new TDC formula was a good step, CHA will need the requested approval of an exception or waiver of the "pro rata" rule to make significant increases in production through apartment acquisition.

G. Using the metrics proposed in the Plan, evaluate the effectiveness of the activity in achieving the statutory objectives it relates to.

Staff has maintained databases of all properties that have been acquired and rehabilitated, as well as data on the neighborhood amenities and poverty levels. Maintaining these databases have made it easy to determine that the activity was effective in expanding housing choices.

H. Cite the specific provision(s) of the Act or regulation that is waived under MTW (as detailed in Attachment C or D of this Restated Agreement) that authorized the Agency to make the change…

Attachment C-D, Section 1(b): The Agency may use this funding source to carry out the purposes of the MTW Demonstration Program…to increase housing choices for low-income families, through activities that would otherwise be eligible under sections 8 and 9 of the 1937 Act, including but not limited to the following activities:…l(ii) The acquisition, new construction, reconstruction or moderate or substantial rehabilitation of housing (including but not limited to, assisted living or other housing as deemed appropriate by the Agency, in accordance with its mission).

CHA had planned new units, utilizing its asset repositioning strategy and leverage from various federal, state and local resources (tax credits, Housing Trust Fund, etc.) The MTW funding enhances that strategy and gives the Authority the opportunity to meet additional MTW goals including housing choice and self sufficiency, by producing more units in diverse neighborhoods.

INCREASING THE ACQUISITION/REHABILITATION OF EXISTING MULTI-FAMILY PROPERTIES

A. Describe any activities that were proposed in the Plan, approved by HUD, but not implemented, and discuss why these were not pursued.

CHA was approved for implementation of this activity in the 2008 – 2009 MTW Annual Plan.

B. Describe each ongoing and completed (within the FY) MTW activity.

In light of rising construction costs and in the face of continued Not In My Backyard (NIMBY) opposition to affordable housing development in higher income areas of Charlotte, CHA proposes that a key component of the unit production portion of the Moving To Work Plan would be driven by an aggressive acquisition/rehabilitation program. In anticipation of MTW status, the Finance and Real Estate Departments successfully negotiated a $5 million acquisition line of credit agreement with Fifth-Third Bank.

The strategy is to option existing properties and finance their acquisition with a combination of land sales proceeds and a draw on the line of credit. CHA would then have site control of the property and could proceed to stabilize the community and put leveraged financing in place - most likely a combination of tax-exempt bond, 501(c)(3),

AHP or other financing. Typically it takes over a year to put such leveraged financing together. At the closing of the financing, the line of credit will be repaid and would be available to gain site control on the next transaction. The goal would be to make no more than 40% of the rehabilitated community affordable, so that the end product is a self-supporting mixed-income community.

In FY08-09 CHA proposed to acquire 150 units using the acquisition/rehabilitation model for one or more apartment acquisitions. Site selection in the first year was guided by the Site Selection Standards in 24 CFR 983.51, but did not require prior HUD approval. CHA will certify compliance with the Site Selections Standards to HUD. CHA proposes to substitute its own criteria in accordance with the provisions of Attachment C-7-c at the end of the first program year.

C. Describe how the ongoing activity relates to at least one of the three statutory objectives.

The addition of these units by acquisition/rehab will meet both the statutory objective for cost savings by acquiring properties early in the development process and increase the housing choices for low income families.

D. Analyze the actual impact of the ongoing MTW activity on the stated objective.

CHA proposed that the first year acquisition of a total of 150 units of which 30% (50 units) would be affordable will increase the overall housing stock in locations in which we may not otherwise have units. The actual impact was acquisition of 110 units of which all are affordable (32 Section 9 and 78 at 60% AMI).

E. Evaluate the actual performance versus the target benchmark goals, the originally established baseline, and the previous year's performance.

Because this is a production program, the baseline at the beginning of CHA's MTW Agreement was set at zero (0). The benchmark was to add 50 rehabilitated units per year as part of the overall agency goal to produce 100 units per year through new construction and rehabilitation.

CHA will use the same units in Table R1: Fairmarket Square (60 units, 16 Section 9); Seneca Woods (50 units; 16 Section 9). Rehabilitation is not completed on Seneca Woods. The amenities for these two communities are detailed in Appendix B. CHA was approved to use the new Fifth-Third line of credit as part of the financing for this transaction. CHA will have a challenge getting bids within budget and getting rehabilitation work completed with residents remaining in place.

The second baseline is $120,000 per unit for new construction. CHA achieved significant cost savings in that the acquisition of Fairmarket Square was $48,667 per unit and $71,059 for Seneca Woods. CHA would also like to note that it took less than a year from identification of the site to acquisition and an additional 6 months for rehabilitation work

compared to the 3 years it takes for predevelopment and construction associated with new construction.

F. If benchmarks were not achieved or if the activity was determined ineffective provide a narrative explanation of the challenges, and if possible, identify potential new strategies that might be more effective.

CHA was unable to achieve the total benchmark because of the pro rata rule. CHA pursued acquiring Laurel Walk, a 104 unit apartment complex in which 20 would be Section 9. While HUD's approval of the new TDC formula was a good step, CHA will need the requested approval of an exception or waiver of the "pro rata" rule to make significant increases in production through apartment acquisition.

G. Using the metrics proposed in the Plan, evaluate the effectiveness of the activity in achieving the statutory objectives it relates to.

The staff will maintain records of all properties that are acquired and/or rehabilitated in a database. Documentation will include challenges in getting bids within budget and completing rehabilitation work with residents remaining in place.

H. Cite the specific provision(s) of the Act or regulation that is waived under MTW (as detailed in Attachment C or D of this Restated Agreement) that authorized the Agency to make the change…

Attachment C-C 13 Site Acquisition**-**The agency is authorized to acquire sites without prior HUD approval, provided that the agency certifies that HUD site selection requirements have been met. *This authorization waives certain provisions of 24 C.F.R. 941.401 as necessary to implement the Agency's Annual MTW Plan.*

The waiver was necessary to remove the HUD approval layer in order to move in a timely, cost efficient manner in acquiring properties.

ESTABLISH LOCAL TOTAL DEVELOPMENT COST (TDC) LIMITS INITIATIVE

A. Describe any activities that were proposed in the Plan, approved by HUD, but not implemented, and discuss why these were not pursued.

The activity was approved in the 2008 – 2009 MTW Annual Plan. CHA did establish a Local Total Development Cost Limits; however, use of the approved Local TDC has not been pursued due to HUD's pro rata rule.

B. Describe the ongoing and completed (within the FY) MTW activity.

In the first year, CHA proposed to adopt local TDC standards that reflect local marketplace conditions for quality construction in our locality. CHA paid particular attention to developing standards that will apply to the higher density; structured parking type developments that will be built in Charlotte's rapidly developing Uptown area, as well as dense development along the new transportation corridors, especially the light rail lines. This will ensure that CHA does not miss opportunities to develop Section 8 and Public

Housing units in these dense urban environments, as well as incentivizing non-profit and for profit developers to include Project-based Section 8 units in their newest developments.

CHA did an in-depth analysis of HUD's current TDC guidelines and worked with ULI and others to develop appropriate local standards.

C. Describe how the ongoing activity relates to at least one of the three statutory objectives.

Established local TDC limits will reduce cost and achieve greater cost effectiveness in Federal expenditures and increase housing choices for low-income families.

D. Analyze the actual impact of the ongoing MTW activity on the stated objective.

The Charlotte Local TDC includes a value and private leverage focus that reflects local market conditions. The addition of the value consideration allows for the acquisition of higher cost properties in high wealth areas. This strategy is designed to promote mixed income communities and de-concentrate poverty in service enriched environments. The Local TDC utilizes local third party data sources to determine rents and cap rates used in the value calculations.

E. Evaluate the actual performance versus the target benchmark goals, the originally established baseline, and the previous year's performance.

A baseline of production cost was to be established in year one of MTW for new units in dense, urban environments. Once the baseline has been established we will track the number of developments we are able to complete in each year in these environments and determine whether it is a net increase over past production. The benchmark for success will be a 10% increase in production in high cost areas.

HUD has approved the Charlotte Local MTW Cap Analysis (Local Total Development Cost – Local TDC) for use in Acquisition Rehab and new construction initiatives. The Local MTW Cap Analysis is attached as Appendix C.

F. If benchmarks were not achieved or if the activity was determined ineffective provide a narrative explanation of the challenges, and, if possible, identify potential new strategies that might be more effective.

HUD has approved the Charlotte Local MTW Cap Analysis (Local Total Development Cost – Local TDC) for use in Acquisition Rehab and new construction initiatives but has indicated that project financing will still be subject to the pro rata rule, i.e., that if a development is 30% Section 9 or 8, the HUD portion of capital financing will not exceed 30%. The pro rata rule effectively negates the Charlotte Local TDC. It focuses on the cost per unit alone. CHA is appealing the pro rata rule.

G. Using the metrics proposed in the Plan, evaluate the effectiveness of the activity in achieving the statutory objectives it relates to.

The local data sources will be supported by market studies and appraisals at the time of submission for consideration in the Mixed Finance Proposal. The CHA Local Total Development Cost approach provided market driven metric and limits on the amount of funds applied to a project. The pro rata approach does not consider local market conditions and limits the production of affordable units for lower wealth families.

H. Cite the specific provision(s) of the Act or regulation that is waived under MTW (as detailed in Attachment C or D of this Restated Agreement) that authorized the Agency to make the change…

Attachment C-C16 Total Development Cost (TDC) limits-*This authorization waives certain provisions of Section 6(b) of the 1937 Act and 24 C.F.R. 941.306 as necessary to implement the Agency's Annual MTW Plan.*

The waiver is needed to create local TDC standards that reflect local marketplace conditions for quality construction in our locality.

DEVELOP A UNIT PRODUCTION PROGRAM IN PARTNERSHIP WITH CHARLOTTE MECKLENBURG SCHOOLS

A. Describe any activities that were proposed in the Plan, approved by HUD, but not implemented, and discuss why these were not pursued.

The activity was approved and implemented in the 2008 – 2009 MTW Annual Plan.

B. Describe the ongoing and completed (within the FY) MTW activity.

During the first year of Moving Forward, the Real Estate Division began exploring a partnership with Charlotte-Mecklenburg Schools ("CMS") to produce mixed income affordable housing units at school sites. This was an innovative initiative because CMS has had to purchase larger pieces of property than was required for the school development. CHA proposed offsetting the cost and use of the excess land by partnering to develop mixed income rental housing on site.

C. Describe how the ongoing activity relates to at least one of the three statutory objectives.

The production of units in partnership with CMS at new school sites would meet the third statutory goal of increasing housing choices of low income families.

D. Analyze the actual impact of the ongoing MTW activity on the stated objective.

This would be an important step in the de-concentration of poverty and the re-integration of Charlotte schools as the new suburban schools are typically in high income areas away from the city center. Our residents will benefit from having education and housing in close proximity, as well as the opportunity to attend an innovative school program.

E. Evaluate the actual performance versus the target benchmark goals, the originally established baseline, and the previous year's performance.

This is a unit production initiative; therefore, the baseline was set at zero (0). The benchmark for year one was to identify one site that would be feasible for a CMS/CHA development and complete preliminary due diligence. During the fiscal year CHA was able to identify Boulevard Homes as an ideal site for the unit production partnership in conjunction with a Hope VI grant application. In April 2009, CHA saw the beginning stages of success when the CMS Board passed a resolution to build a school at the redeveloped Boulevard Homes site. The K-8 school is part of an education-centered redevelopment of one of CHA's most distressed properties. The new site will incorporate the school, mixed-income housing and a child development center. The partnership between CHA and CMS represents the first joint development for the two entities.

F. If benchmarks were not achieved or if the activity was determined ineffective provide a narrative explanation of the challenges, and, if possible, identify potential new strategies that might be more effective.

Also in FY 2008-09, CHA and CMS worked closely on the potential development of affordable housing at a prime suburban elementary school site in a very high income sector of Charlotte. CHA proposed a 28 unit single family affordable development targeted to teachers; and a 68 unit tax credit rental development that would be 20% Section 9. CMS agreed to allow CHA to file a tax credit application for the site in January of 2009. The North Carolina Housing Finance Agency gave the site the highest site score of any project in the state of North Carolina. Unfortunately, with the recession and consequent shortfall in the County budgets, CMS is experiencing a 15% cut in funding, which has caused the lay-offs of several hundred teachers. In that environment, CMS did not feel it could make financial commitments to affordable housing in this budget year. They again expressed their desire to continue to work on identifying sites to work in partnership with CHA in future years, post –recession.

G. Using the metrics proposed in the Plan, evaluate the effectiveness of the activity in achieving the statutory objectives it relates to.

A report on the progress of site identification was provided at the end of year one.

H. Cite the specific provision(s) of the Act or regulation that is waived under MTW (as detailed in Attachment C or D of this Restated Agreement) that authorized the Agency to make the change…

Attachment C-D, Section 1(b): *The Agency may use this funding source to carry out the purposes of the MTW Demonstration Program…to increase housing choices for low-income families, through activities that would otherwise be eligible under sections 8 and 9 of the 1937 Act, including but not limited to , the following activities: …..(ii)The acquisition, new construction, reconstruction or moderate or substantial rehabilitation of housing (including but not limited to, assisted living or other housing as deemed appropriate by the Agency, in accordance with its mission)…..*

The waiver is necessary for the flexibility of funds.

LAND ACQUISITION FOR FUTURE AFFORDABLE HOUSING DEVELOPMENT USE INITIATIVE

A. Describe any activities that were proposed in the Plan, approved by HUD, but not implemented, and discuss why these were not pursued.

CHA was approved to implement this activity in the 2008 – 2009 MTW Annual Plan, and pursued the activity as stated in the Plan.

B. Describe the ongoing and completed (within the FY) MTW activity.

It is very important to CHA's overall MTW plan to secure as many good locations as possible along the new transit corridors and light rail and in rapidly developing areas of Charlotte. Charlotte is in a stage of very rapid growth and waiting to purchase these sites until full project financing is in place will mean the loss of key opportunities to build housing for our residents in the best locations with the best amenities to support their efforts at self-sufficiency. Therefore, CHA requested and was approved for the ability to option and purchase land (or sites appropriate for demolition and/or rehab) without funded development plans in place.

CHA will certify that it has met the HUD Site Selection Standards. CHA also plans to set forth for HUD approval proposed criteria under which it would be allowed to purchase property in excess of appraised value (to gain site control in a rapidly gentrifying area, etc.).

C. Describe how the ongoing activity relates to at least one of the three statutory objectives.

Controlling land early in the development process can result in significant cost saving and CHA will be securing sites that provide more housing choices for low income families. This initiative would allow CHA to acquire properties for residential affordable housing development in rapid growth areas before land costs become prohibitive.

D. Analyze the actual impact of the ongoing MTW activity on the stated objective.

CHA was able to acquire the land with a line of credit in anticipation of repayment with MTW funds. The land was determined extremely valuable because it was already zoned for multi-family. The MTW flexibility allowed CHA to quickly gain site control of a site in a high amenity area. While not successful in the highly competitive tax credit round this year, CHA anticipates receiving tax credit financing in the future to develop the land as a mixed income community. CHA also established several broker relationships and has reviewed 10 – 20 additional opportunities for land acquisition.

E. Evaluate the actual performance versus the target benchmark goals, the originally established baseline, and the previous year's performance.

The baseline was set at zero and staff tracked location and cost of acreage added as well as projected plans for development. The benchmark was to acquire one site within the first two years of MTW. CHA will continue to acquire one site every two years which will provide a minimum development opportunity of 50 units. CHA closed on vacant land at

Krefeld Drive during the 3rd quarter FY2008 – 2009 for $1 million. The site will accommodate 99 units. Market projections indicate land increases in value 2 – 3% per year. The acquisition of land in high amenity areas could be higher than this projection.

F. If benchmarks were not achieved or if the activity was determined ineffective provide a narrative explanation of the challenges, and, if possible, identify potential new strategies that might be more effective.

The benchmark was achieved. This activity is determined effective and will continue for future land acquisitions.

G. Using the metrics proposed in the Plan, evaluate the effectiveness of the activity in achieving the statutory objectives it relates to.

The staff will chart the location and cost of acreage of land acquired using the Site Acquisition waiver. Analysis of this data will depend on the local real estate economy. In order to accurately assess whether CHA was able to acquire land at a cost savings, current market conditions will have to be factored in.

H. Cite the specific provision(s) of the Act or regulation that is waived under MTW (as detailed in Attachment C or D of this Restated Agreement) that authorized the Agency to make the change…

Attachment C-C13 Site Acquisition-The agency is authorized to acquire sites without prior HUD approval, provided that the agency certifies that HUD site selection requirements have been met. *This authorization waives certain provisions of 24 C.F.R. 941.401 as necessary to implement the Agency's Annual MTW Plan.*

The MTW flexibility allowed CHA to quickly gain site control of a site in a high amenity area.

HOUSING FOR PERSONS WITH DISABILITIES, SPECIAL NEEDS AND HOMELESS INITIATIVE

A. Describe any activities that were proposed in the Plan, approved by HUD, but not implemented, and discuss why these were not pursued.

This activity was approved by HUD in the 2008 – 2009 MTW Annual Plan and CHA did pursue it during the fiscal year.

B. Describe the ongoing and completed (within the FY) MTW activity.

CHA has an on-going commitment to provide housing for persons with disabilities and special needs and the homeless. This is a key part of the overall MTW plan for a number of reasons. It is important that CHA take an active role in ensuring that the MTW program is implemented smoothly without a major shock to the existing systems and with full consideration for the needs of resident families. So, this strengthening of the safety net is important to the overall goal of the MTW program to assist people to become economically self-sufficient.

This initiative will create and enhance relationships with local social service provider agencies—whose involvement will be extremely important to our MTW Self-Sufficiency programming. CHA is already exploring initiatives with the YWCA's Families Together program; St. Peters Homes, Inc. (see below); Area Mental Health and Urban Ministries who are working on the development of new transitional housing for men and women. The creation of these links with social services providers in the community is key to the long-term success of the MTW program. Many of these relationships were strengthened and enhanced by CHA's participation in an initiative to provide winter housing for 60 homeless families with children in the Charlotte-Mecklenburg School system.

In the second year of the MTW program, CHA will continue to focus its efforts on two primary areas:

1. Expansion of Project-Based Section 8:
   Continue the commitment to provide 300 project-based Section 8 subsidies for housing for persons with disabilities: In 2006, the CHA Board approved a commitment to assist in the construction of new units up to a goal of 300 units of housing for persons with disabilities by 2012. This effort dove-tails with a commitment by NCHFA and the Department of Health and Human Services (DHHS) at the state level to provide additional leveraged funding for special needs housing through the state Housing 400 program. Further, CHA will continue to work with developers with experience in providing this specialized housing and may get involved in some joint venture efforts at co-development.

2. Re-structure and expand McCreesh Place:
   St. Peter's Homes, Inc. ("St Peter's Homes"), a non-profit organization in Charlotte dedicated to building affordable housing to alleviate homelessness owns and operates McCreesh Place. McCreesh Place opened in 2003 as a single room occupancy apartment community which provides full on-site supportive services for its residents. It provides housing to disabled men who were formerly homeless in a 21,000 square foot, 3-story building, with 64 apartment units on 1.15 acres located approximately two miles from center city Charlotte. CHA is working with St. Peter's to add 26 efficiency units to their operation through the tax credit program and also to provide additional Section 8 and Section 9 rental subsidies. The Mixed Finance has been approved by the Board and HUD and closing is anticipating for summer 2009.

C. Describe how each ongoing activity relates to at least one of the three statutory objectives.

Working with service providers in this context strengthens relationships for their participation in other social service initiatives and provides more housing choices for low income families.

The initiative also meets the goal of achieving greater cost efficiency in Federal expenditures. The Section 9 subsidies available in Charlotte (historically around $250/unit/month) have traditionally not been adequate to cover the operating expenses of larger units. While the new PEL program is designed to address that problem, we still are experiencing operating shortfalls at our larger bedroom developments because in the past few years, subsidies have been funded at levels that are 85% or less of budget. Supportive housing units tend to be smaller and to have a lower per unit operating cost. In addition, they tend to benefit from community fund-raising and support for social services. A Section 9 subsidy that might not be sustainable in a larger family development is sufficient for a smaller supportive housing unit, especially given the additional community support. CHA is committed to returning to full utilization of Section 9 under the statutory cap. One of the most cost-effective ways to do that is through the expansion of efforts to develop smaller supportive housing units that have the additional benefit of community subsidy for social services.

D. Analyze the actual impact of each ongoing MTW activity on the stated objective.

CHA developed criteria to evaluate projects for assistance. This criteria was approved by the CHA Board of Commissioners during the 1st quarter of FY2009 – 2010. This will allow the agency to achieve greater efficiency as we use our project based authority to create more housing opportunities. The new policy will enable CHA to provide more community based rental assistance.

CHA is the lead on financing involving tax credits, Housing Trust Fund (HTF), Affordable Housing Program (AHP), etc. CHA is considering using full Project Expense Limit (PEL) and capital fund replacement type financing. If approved, financing should be in place by year end 2008 and construction begun in FY09-10.

E. Evaluate the actual performance versus the target benchmark goals, the originally established baseline, and the previous year's performance.

The baseline was set at zero (0) and the staff continues to keep track of the number and type of projects financed, built or rehabilitated through the Housing for Persons with Disabilities and Special Needs Initiative. There were 10 Project-based Section 8 Vouchers committed to the Craig Avenue project, 11 to the Cherry Seniors project, 10 to the YWCA Families Together program and 27 to the McCreesh expansion during the fiscal year.

F. If benchmarks were not achieved or if the activity was determined ineffective provide a narrative explanation of the challenges, and, if possible, identify potential new strategies that might be more effective.

The benchmark of 300 project-based Section 8 vouchers for homeless, disabled and special needs was not achieved because the Board of Commissioners was not able to fairly evaluate all projects on the same merit. A set of criteria has been developed and approved which will guide Commissioners in their decision making and make the process more efficient and timely.

G. Using the metrics proposed in the Plan, evaluate the effectiveness of the activity in achieving the statutory objectives it relates to.

The staff will track the number and type of projects finances, built or rehabilitated through this initiative.

H. Cite the specific provision(s) of the Act or regulation that is waived under MTW (as detailed in Attachment C or D of this Restated Agreement) that authorized the Agency to make the change…

Attachment C-D, #1-4-Operational Policies and Procedures *This authorization waives certain provisions of Section 8(o)(7) of the 1937 Act and 24 C.F.R. 982.162; certain provisions of Sections 8(o)(7)(a), 8(o)(13)(F) and 8(o)(13)(G) of the 1937 Act and 24 C.F.R. 982.303, 982.309 and 983 Subpart F; certain provisions of Section 8(o)(5) of the 1937 Act and 24 C.F.R. 982.516; certain provisions of Section 8(o)(9), of the 1937 Act and 24 C.F.R. 982; certain provisions of Section 8(o)(13) of the 1937 Act and 24 C.F.R. 983;certain provisions of Section 8(p) of the 1937 Act and 24 C.F.R. 983.53-54 and 982 Subparts H and M; and certain provisions of Section 8(r) of the 1937 Act and 24 C.F.R. 982 Subpart H; certain provisions of Sections 8(o)(1), 8(o)(2), 8(o)(3), 8(o)(10) and* 8(o)(13)(H)-(I) *of the 1937 Act and 24 C.F.R. 982.508, 982.503 and 982.51; certain provisions of Sections 8(o)(7) and 8(o)(13) of the 1937 Act and 24 C.F.R. 982.308, 982.451 and 983 Subpart E; certain provisions of Section 8(o)(10) of the 1937 Act and 24 C.F.R. 982.50;7certain provisions of Sections 8(o)(7) and 8(o)(13)(F)-(G) of the 1937 Act and 24 C.F.R. 982 Subpart L and 983 Subpart E certain provisions of Sections 16(b) and 8(o)(4) of the 1937 Act and 24 C.F.R. 5.603, 5.609, 5.611, 5.628, and 982.21*; and *certain provisions of Sections 8(o)(6), 8(o)(13)(J) and 8(o)(16) of the 1937 Act and 24 C.F.R. 982 Subpart E, 982.305 and 983 Subpart Fall as necessary to implement the Agency's Annual MTW Plan*.

VI. Sources and Uses of Funding

A. Unaudited Financial Statement is Appendix E.

B. Planned vs. actual financial information by development with a narrative discussion and explanation of the differences is Appendix F.

C. Planned vs. actual for all capital activities presented in the Annual MTW Plan with a narrative discussion and explanation of differences is Appendix G.

D. Explanation of how funding fungibility was used and narrative explanation of the difference, if applicable.

Fungibility has allowed the CHA to utilize funding to meet the needs of the organization. For example the anticipated prorated funding for public housing will not meet the needs of public housing properties. Through fungibility of funds, CHA is able to fund public housing properties at 100% of subsidy, provide more funding to capital projects for the Real Estate Department for additional affordable housing and capital projects to the public housing properties for needed replacements. Finally, fungibility has allowed CHA to fund MTW initiatives in compliance with the MTW Annual Plan.

VII. Administrative

A. The Housing Authority of the City of Charlotte has contracted with the University of North Carolina at Chapel Hill's Center for Urban and Regional Studies to design an evaluation method to monitor program implementation, determine the impact of objectives as well as establish the total criteria for data to be collected to develop a Performance Scorecard to monitor CHA's Moving to Work (MTW) program. Research will also serve as a reference and guidance to make any mid-course changes in the direction of the MTW program to guarantee overall success of the MTW objectives. This evaluation will be conducted over the course of the MTW Agreement and the results of the agency-directed evaluation will be documented in the Annual Report as they become available.

B. The Performance and Evaluation Report for Capital Fund activities not included in the MTW Block Grant is not applicable.

C. There were no corrections or eliminations of observed deficiencies cited during the monitoring visits, physical inspections, submissions to REAC, or other oversight and monitoring mechanisms to report on. However, during the reading of the Annual Plan, reviewers asked for clarification on whether Charlotte continued to conduct interior inspections on Section 8 properties in conjunction with our Section 8 Property Rating System Initiative. The following paragraph was added to the activity description for that initiative.

> ***CHA has a system in place to ensure there are no serious problems with unit interiors. CHA has not eliminated or decreased interior inspections of Section 8 properties. HQS inspections continue to be conducted on the interior prior to voucher issuance, during the recertification period and if there are any participant complaints during the lease period. Re-inspections are completed after any failed inspections. The intent of the external inspections is to establish a system that provides a greater level of monitoring and enforcement for problem landlords.***

VIII. Reporting Compliance with Statutory MTW Requirements

Initial Incomes of Families Assisted by MTW

Fiscal Year:	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Total number of newly admitted families assisted[1]	684										
Number of families with incomes below 50% of area median	681										
Percentage of families with incomes below 50% of area median	100%										

Baseline for the Number of Eligible Low-Income Families to Be Served

	Number of families served when Agency entered MTW	Non-MTW adjustments to the number of families served[2]	Baseline number of families to be served	Explanations for adjustments to the number of families served
Number of public housing families served	2238	0	2238	
Number of tenant-based Section 8 families served	4321	0	4321	
Total number of families served	6559	0	6559	

[1] "Total number of newly admitted families assisted" is defined as all families that have been admitted to federal housing assistance during the fiscal year in question. Therefore, this does not mean that all families assisted by the housing authority will be captured in this figure. Instead, the figure only captures the initial admittees' income, just as they begin to receive housing assistance.

[2] "Non-MTW adjustments to the number of families served" are defined as factors that are outside the control of the Agency. Acceptable "non-MTW adjustments" include, but are not limited to, influences of the economy and of the housing market. If the Agency includes non-MTW adjustments, HUD expects the explanations of the factors to be thorough and to include information substantiating the numbers used.

Number of Low-Income Families Served

Baseline number of families to be served (total number of families)[3]	6559
Total number of families Served this Fiscal Year[4]	6559
Numerical Difference[5]	0
Percentage Difference	0%

Justification for variations in excess of 10% below the baseline number of families to be served (total number of families):

Baseline for the Mix of Family Sizes to Be Served

Family Size	Occupied number of Public Housing units by family size when Agency entered MTW	Utilized number of Section 8 vouchers by family size when Agency entered MTW	Non-MTW adjustments to the distribution of family sizes[6]	Baseline number of family sizes to be maintained	Baseline percentages of family sizes to be maintained
1 person	1186	972	0	2158	33%
2 people	391	938	0	1329	20%
3 people	287	1018	0	1305	20%
4 people	220	773	0	993	15%
5 people	95	373	0	468	7%
6+ people	59	247	0	306	5%
Totals	2238	4321	0	6559	100%

Explanations for Baseline adjustments to the distribution of family sizes utilized	

[3] This number will be the same number in the chart above, at the cross-section of "total number of families served" and "baseline number of families served."
[4] The methodology used to obtain this figure will be the same methodology used to determine the "Number of families served when Agency entered MTW" in the table immediately above.
[5] The Numerical Difference is considered "MTW adjustments to the number of families served." This number will reflect adjustments to the number of families served that are directly due to decisions the Agency has made. HUD expects that in the course of the demonstration, Agencies will make decisions that may alter the number of families served.
[6] "Non-MTW adjustments to the distribution of family sizes" are defined as factors that are outside the control of the Agency. Acceptable "non-MTW adjustments" include, but are not limited to, demographic changes in the community's population. If the Agency includes non-MTW adjustments, HUD expects the explanations of the factors to be thorough and to include information substantiating the numbers used.

Mix of Family Sizes Served

	1 person	2 people	3 people	4 people	5 people	6+ people	Total
Baseline percentages of family sizes to be maintained[7]	33%	20%	20%	15%	7%	5%	100%
Number of families served by family size this Fiscal Year[8]	2158	1329	1305	993	468	306	6559
Percentages of families served by family size this Fiscal Year[9]	33%	20%	20%	15%	7%	5%	100%
Percentage Difference	0%	0%	0%	0%	0%	0%	0%

[7] These numbers in this row will be the same numbers in the chart above listed under the column "Baseline percentages of family sizes to be maintained."

[8] The methodology used to obtain these figures will be the same methodology used to determine the "Occupied number of Public Housing units by family size when Agency entered MTW" and "Utilized number of Section 8 Vouchers by family size when Agency entered MTW" in the table immediately above.

[9] The "Percentages of families served by family size this fiscal year" will reflect adjustments to the mix of families served that are directly due to decisions the Agency has made. HUD expects that in the course of the demonstration, Agencies will make decisions that may alter the number of families served.

IV. Appendices

Appendix A	**Local Design Standards**
Appendix B	**Fairmarket and Seneca Amenities List, Maps and Demographics**
Appendix C	**Charlotte Total Development Costs**
Appendix D	**Community Based Rental Assistance Policy**
Appendix E	**Unaudited Financial Statements**
Appendix F	**MTW Variance Analysis 2008 – 2009**
Appendix G	**MTW Variance Analysis 2008 – 2009 (Capital Fund Program)**

Appendix A

Design Quality Standards and Requirements

The terms of this Appendix B are the minimum requirements for any project awarded tax credits in 2008. Required documents must be prepared by an engineer or architect licensed to do business in North Carolina.

Once final plans and specifications have been completed, owners must submit them to the Agency and receive written approval before commencing sitework or construction.

At all times after award the owner is responsible for promptly informing the Agency of any changes or alterations which deviate from the final plans and specifications approved by the Agency. In particular owners must not take action on any material change in the site layout, floor plan, elevations or amenities without written authorization from the Agency. This includes changes required by local governments to receive building permits.

I. DESIGN DOCUMENT STANDARDS

All required documents must be prepared by an engineer or architect licensed to do business in North Carolina. All drawings should be to scale, using the minimum required scale as detailed below.

A. PRELIMINARY APPLICATION PLAN REQUIREMENTS

Plans must be 11” x 17” and indicate the following:

1. Street name(s) where site access is made, site acreage, planned parking areas, layout of building(s) on site to scale, any flood plains that will prohibit development on site, retaining walls where needed, and adjacent properties with descriptions.

2. Front, rear and side elevations of **ALL** building types and identify all materials to be used on building exteriors.

3. Use a 1/8” or 1/16” scale for each building.

B. FULL APPLICATION PLAN REQUIREMENTS

Site and floor plans must be 24” x 36” and indicate the following:

1. Location of, and any proposed changes to, existing buildings, roadways, and parking areas.

2. All existing site and zoning restrictions including set backs, right of ways, boundary lines, wetlands and any flood plains.

3. Existing topography of site and any proposed changes including retaining walls.

4. Front, rear and side elevations of **ALL** building types and identify all materials to be used on building exteriors.
5. Landscaping and planting areas (a plant list is not necessary). If existing site timber or natural areas are to remain throughout construction, the area must be marked as such on the site plans.

6. Locations of site features such as playground(s), gazebos, walking trails, refuse collection areas, postal facilities, and site entrance signage.

7. The location of units, common use areas and other spaces using a minimum scale of 1/16" = 1'for each building.

8. Dimensioned floor plans for all unit types using a minimum scale of 1/4" = 1'.

9. Net building square footage and heated square footage. See "Definitions" in this Appendix. 2 of 12 2009 QAP

10. For projects involving renovation and/or demolition of existing structures, proposed changes to building components and design and also describe removal and new construction methods.

11. For projects involving removal of asbestos and/or lead based paint removal, general notes identifying location and procedures for removal.

II. BUILDING AND UNIT DESIGN PROVISIONS

A. EXTERIOR DESIGN AND MATERIALS

1. Building design must use different roof planes and contours to "break" up roof lines. Wide window and door trim must be used to better accent siding. If horizontal banding is used between floor levels, use separate color tones for upper and lower levels. If possible, use horizontal and vertical siding applications to add detail to dormers, gables, and extended front facade areas.

2. The use of no or very low maintenance materials is required for exterior building coverings on all new construction projects. These include high quality vinyl siding, brick, or fiber cement siding. The use of metal siding is prohibited.

3. All exterior trim, including fascia and soffits, window and door trim, gable vents, etc, must also be constructed of no or very low maintenance materials.

4. All buildings must include seamless gutters.

5. All building foundations must have a minimum of 12 inches exposed brick veneer above finished grade level (after landscaping).

6. Breezeway and stairwell ceilings must be constructed of materials rated for exterior exposure.

7. Buildings and units must be identified using clearly visible signage and numbers. Building and unit identification signage must be well lit from dusk till dawn.

8. Exterior stairs must have a minimum clear width of 40 inches and be completely under roof cover.
9. Exterior railings must be made of vinyl, aluminum, or steel (no wood).
10. Anti-fungal shingles with a minimum 25-year warranty are required for all shingle roof applications.

B. DOORS AND WINDOWS

1. All primary unit entries must either be within a breezeway or have a minimum roof covering of 3 feet deep by 5 feet wide, including a corresponding porch or concrete pad.

2. High durability, insulated doors (such as steel and fiberglass) are required at all exterior locations. Single lever deadbolts and eye viewers are required on all main entry doors to residential units.

3. Exterior doors for fully accessible units ("Type A") must include spring hinges.

4. Insulated, double pane, vinyl windows with a U-factor of 0.40 or below and a SHGC of 0.48 or below are required for new construction.

5. Windows must not be located over tub or shower units.

C. UNIT DESIGN AND MATERIALS

1. All residential units must meet minimum unit size requirements. The square footage measurements below will be for heated square feet only, measured interior wall to interior wall, and do not include exterior wall square footage. Unheated areas such as patios, decks, porches, stoops, or storage rooms cannot be included.

Single Room Occupancy ("SRO")	250 square feet
Studio	375 square feet
Efficiency	450 square feet
1 Bedroom	660 square feet
2 Bedroom	900 square feet
3 Bedroom	1,100 square feet
4 Bedroom	1,250 square feet

For additional requirements see the "Definitions" section at the end of this Appendix.

2. All units must have a separate dining area, except for SRO, Studio and Efficiency units (see "Definitions" for description).

3. Newly constructed residential units containing two (2) or more bedrooms must have an exterior storage closet with a minimum of 16 unobstructed square feet. The square footage utilized by a water heater in the exterior storage closet may not be included in the 16 square foot calculation.

4. Carpet and pad must meet FHA minimum standards.

5. Kitchens, dining areas, and entrance areas must have vinyl, VCT or other non-carpet flooring.

6. The minimum width of interior hallways in residential units is 40 inches.

7. For new construction, interior doors must be constructed of six panel hardboard, solid core birch or solid core lauan. Hollow core, flat-panel wood doors are prohibited.

8. Bi-fold and by-pass doors are prohibited. Pocket doors are not allowed in elderly properties or handicapped units.

9. Fireplaces are prohibited in residential units.

10. Residential floors and common tenant walls must have sound insulation batts.

D. BEDROOMS

1. The primary bedroom must have at least 130 square feet, excluding the closet(s).

2. Secondary bedrooms must have at least 110 square feet, excluding the closet(s).

3. Every bedroom must have a closet with a shelf, closet rod and door. The average size of all bedroom closets in each unit type must be at least 7 linear feet.

E. BATHROOMS

1. A medicine cabinet must be installed in every full bathroom in each residential unit.

2. Exclusive of fully accessible units, the average size of all vanities in each unit type must be at least 36 inches.

3. Mirrors in bathrooms must be low enough to reach the counter backsplashes.

4. All bathrooms must include an exhaust fan rated at 70 CFM vented to the exterior of the building using hard ductwork along the shortest run possible. The exhaust fan must be wired to run whenever the bathroom light is on.

5. For ceramic tile applications, tile should be applied over cement backer board rather than directly to drywall.

6. All new construction projects must comply with QAP Section IV(F)(3) regarding additional accessible bathrooms, including curbless showers. All curbless showers must have a collapsible water dam installed before occupancy.

7. Approaches to curbless showers must be level, not sloped.

F. KITCHENS

1. New cabinets must include dual side tracks on drawers. Door fronts, styles, and drawer fronts must be made with solid wood or wood/plastic veneer products. Particle board or hardboard doors, stiles, and drawer fronts are prohibited.

2. The minimum aisle width between cabinets and/or appliances is 42 inches.

3. A pantry cabinet or closet in or near each kitchen must be provided (does not include SRO, studio or efficiency units).

4. All residential units must have either a dry chemical fire extinguisher mounted and readily visible and accessible in every kitchen, including kitchen in community building if present, or an automatic fire suppression canister mounted in each range hood.

5. Each kitchen must have at the least the following minimum linear footage of countertop, excluding the sink space (only include countertops that are at or below 36 inches in height above finished floor):

SRO	4.5 linear feet
Studio	5.0 linear feet
Efficiency	5.0 linear feet
1 Bedroom	10.0 linear feet
2 Bedroom	12.0 linear feet
3 Bedroom	13.0 linear feet
4 Bedroom	13.0 linear feet

6. All residential units must have a frost-free Energy Star rated refrigerator with a freezer compartment. For fully accessible ("Type A") units the refrigerator must be side by side. The following are the minimum sizes:

0-2 Bedroom	14 cubic feet
3 Bedroom	16 cubic feet
4 Bedroom	18 cubic feet

7. All residential units must have an Energy Star rated dishwasher (excluding elderly properties).

8. All handicap (Type "A") kitchen sinks must be rear-draining and have sink bottoms insulated if bottom of sink is at or below 29" above finished floor.

9. Pull-out worktops are prohibited.

G. <u>LAUNDRY ROOM CLOSETS</u>

1. Laundry room closets must be 36" minimum depth measured from back wall to back of closet doors.

2. Clothes dryer vent connection must be 2" maximum above finished floor.

H. <u>PROVISIONS FOR ALL ELDERLY HOUSING</u>

1. All elderly residential units must be equipped with emergency pull chains in the master bedroom and full bathroom. The pull chains must be wired to an exterior warning device which consists of a strobe light and an audible alarm.

2. Provide loop or "D" shape handles on cabinet doors and drawers.

3. Exhaust vents and lighting above ranges must be wired to a remote switch near the range in an accessible location.

4. Provide solid blocking at all water closets and tub/shower units for grab bar installation.

5. Provide a minimum 12” grab bar in all tub/shower units. The grab bar will be installed centered vertically at 48” A.F.F. on the wall opposite the controls.

6. Corridors in any common areas must have a continuous suitable handrail on one side mounted 34 inches above finished floor, and be 1 ¼ inches in diameter.

7. All doors leading to habitable rooms must have a minimum 3’-0” door and include lever handle hardware.

8. Hallways must have a minimum width of 42 inches.

9. The maximum threshold height at any entry door is ½ inch.

I. PROVISIONS FOR SIGHT AND HEARING IMPAIRED UNITS

Applies ONLY to projects using Rental Production Program funds. Under Section 504 of the Rehabilitation Act of 1973, two percent of the total number of units constructed, or a minimum of one, must be able to be equipped for residents with sight and hearing impairments. These requirements include the following:

1. The unit(s) must be roughed in to allow for smoke alarms with strobe lights in every bedroom and living area.

2. The units must have a receptacle next to phone jacks in units for future installation of TTY devices.

3. Each overhead light fixture and receptacle must be wired to accommodate a 150 watt load.

4. The unit must also be fully accessible (“Type A”). The requirements of this provision can be satisfied by adding the elements described above to the additional fully accessible units with curbless showers required by QAP Section IV(F)(3) such that at least two percent (2%) of all units are properly equipped to serve persons with sight and or hearing impairments.

III. MECHANICAL, SITE AND INSULATION PROVISIONS

A. PLUMBING PROVISIONS

1. Zero to two bedroom units require at least one (1) full bathroom.

2. Three bedroom units require at least 1.75 bathrooms (including one bath with upright shower and one bath with full tub).

3. Four bedroom units require at least two (2) full bathrooms.

4. All tubs and showers must have slip resistant floors.

5. All electric water heaters must have an Energy Factor of at least .91. All natural gas water heaters must have an Energy Factor of at least .61.

6. All water heater tanks must be placed in an overflow pan piped to the exterior of the building, regardless of location and floor level. The temperature and relief valve must also be piped to the exterior.

7. Whirlpool baths or spas are prohibited.

8. A frost-proof exterior faucet must be installed on an exterior wall of the community/office building.

9. All tub/shower control knobs must be single lever handled and offset towards the front of the tub/shower.

10. Provide lever faucet controls for the kitchen and bathroom sinks.

11. All sinks, shower heads, and toilets must be low-flow.

B. ELECTRICAL PROVISIONS

1. Provide overhead lighting, a ceiling fan, telephone jack and a cable connection in every bedroom and living room. If using ceiling fans with light kits, the fan and light must have separate switches.

2. Any walk-in closets must also have a switched overhead light.

3. Switches and thermostats must not be located more than 48 inches above finished floor height.

4. Receptacles, telephone jacks and cable jacks must not be located less than 16 inches above finished floor height.

5. Exterior lighting is required at each unit entry door.

6. Additional exterior light fixtures not specific to a unit will be wired to a “house” panel. The fixtures will be activated by a photo cell placed on the east or north side of the buildings.

7. All exterior stairways must have light fixtures wired to a “house” panel and activated by a photo cell placed on the east or north side of the buildings.

8. Projects with gas heating and/or appliances must provide a hard-wired carbon monoxide detector with a battery back-up in each residential unit.

9. All non-residential and residential spaces must have separate electrical systems.

10. Initially-installed bulbs in residential units and common areas must be compact fluorescent (other than in ceiling fans and range hoods).

C. HEATING, VENTILATING AND AIR CONDITIONING PROVISIONS

1. All non-residential areas and residential units must have their own separate heating and air conditioning systems.

2. Through the wall HVAC units are prohibited in all but Studio, Efficiency and SRO units. They are allowed in laundry rooms and management offices where provided.

3. HVAC systems, including the air handler and line sets, must be rated at 13.0 SEER or greater and properly sized for the unit. All HVAC systems must use 410A refrigerant instead of R-22.

4. Connections in duct system must be sealed with mastic and fiberglass mesh.

5. All openings in duct work at registers and grills must be covered after installation to keep out debris during construction.

6. Fresh air returns must be a minimum of 12” above the floor.

D. BUILDING ENVELOPE AND INSULATION

1. Buildings with residential units must be wrapped with an exterior air and water infiltration barrier.

2. Framing must provide for complete building insulation including the use of insulated headers on all exterior walls, framing roofs and ceilings to allow the full depth of ceiling insulation to extend over the top plate of the exterior walls of the building, and framing all corners and wall intersections to allow for insulation.

3. 3. Seal at doors, windows, plumbing and electrical penetrations to prevent moisture and air leakage.

E. SITEWORK AND LANDSCAPING

1. Provide positive drainage at all driveways, parking areas, ramps, walkways and dumpster pads to prevent standing water.

2. Provide a non-skid finish to all walkways.

3. All water from roof and gutter system must be piped away from buildings and discharged no less than 6’ from building foundation.

4. Lots must be graded so as to drain surface water away from foundation walls. The grade away from foundation walls must fall a minimum of 6 inches within the first 10 feet.

5. Burying construction waste on-site is prohibited.

6. No part of the disturbed site may be left uncovered or unstabilized once construction is complete.

7. Minimum landscaping budgets of $300 per residential unit are required. This allowance is for plants and trees only and may not be used for fine grading, seeding and straw or sod.

8. Plant material must be native to the climate and area.

IV. ENERGY STAR CERTIFICATION

Developers are required to have their projects certified as compliant with the requirements of the ENERGY STAR program which is administered by the U. S. Environmental Protection Agency. In general, ENERGY STAR qualified homes are at least 15% more energy efficient than homes built to the 2006 International Energy Conservation Code (IECC). ENERGY STAR qualified homes achieve energy savings through established, reliable building technologies that address 5 critical elements:

- Effective Insulation
- High-Performance Windows
- Tight Construction and Ducts
- Efficient Heating and Cooling Equipment
- Lighting and Appliances

Additionally, to receive ENERGY STAR certification, developers must work with independent, third-party experts who assist with project design, verify construction quality, and test completed units to certify energy efficiency.

Additional information regarding the requirements for energy star certification can be found on the EPA website. (http://www.energystar.gov/index.cfm?c=new_homes.nh_features)

V. COMMON AREA AND SITE AMENITY PROVISIONS

All common use areas must be fully accessible to those with disabilities in compliance with all applicable State and Federal laws and regulations.

A. REQUIRED SITE AMENITIES

All projects are required to include a minimum of six (6) tenant amenities. There are four (4) amenities that are mandatory and the additional two (2) can be selected from the list below.

The required amenities vary by project type:

Family	Senior
Playground	Indoor or Outdoor Sitting Areas (min. of 3 locations)
Resident Computer Center (min. of 2 computers)	Multi-Purpose Room (250 sq.ft.)
Covered Picnic Area (150 sq.ft. with 2 tables and grill)	Resident Computer Center (min. of 2 computers)
Outdoor Sitting Areas with Benches (min. of 3 locations)	Tenant Storage Areas

In addition to the required amenities, projects must also include at least two (2) of the following additional amenities:

- covered drive-thru or drop-off at entry
- covered patio with seating (150 sq. ft.)
- covered picnic area with two tables and one grille (150 sq. ft.)
- exercise room (must include new equipment)

- raised bed garden plots (50 sq. ft. per plot, 24 inches deep, one plot per 10 residents, elderly projects only)
- gazebo (100 sq. ft.)
- high-speed Internet access (involves both a data connection in the living area of each unit that is separate from the cable/telephone connection and support from a project-wide network or a functional equivalent)
- sunroom with chairs (150 sq. ft.)
- screened porch (150 sq. ft.)
- tot lot (family projects only)
- walking trails (4 ft. wide paved continuous around property)

Dimensions listed are the minimum required. Amenities must be located on the project site.

B. PLAYGROUND AREAS

1. Wherever possible tot lots and playgrounds must be located away from areas of frequent automobile traffic and situated so that the play area is visible from the office and maximum number of residential units.

2. A bench must be provided at playgrounds to allow a child's supervisor to sit. The bench must be anchored permanently, weather resistant and have a back.

C. POSTAL FACILITIES

1. Postal facilities must be located adjacent to available parking and sited such that tenants will not obstruct traffic while collecting mail.

2. On-site postal facilities must have a roof covering which offers residents ample protection from the rain while gathering mail.

3. Postal facilities must include adequate lighting on from dusk to dawn.

D. LAUNDRY FACILITIES

1. Laundry facilities are required at all projects.

2. There must be a minimum of one washer and one dryer per twelve (12) residential units if washer/dryer hookups are not available in each unit. If hookups are available in each unit, there must be a minimum of one washer and one dryer per twenty (20) units.

3. Laundry facilities must be located on an accessible route.

4. The entrance must have a minimum roof covering of 20 square feet.

5. The threshold height of the entrance door to the laundry room must not exceed ½ inch above finished interior grade level.

6. A "folding" table or countertop must be installed. The working surface must be 28 to 34 inches above the floor, and must have a 27 inch high clear knee space below. The working surface must be a minimum 48 inches long, and have a 30 by 48 inch clear floor space around it.

7. The primary entrance door to the laundry must be of solid construction and include a full height tempered glassed panel to allow residents a view of the outside/inside.

8. The laundry room must be positioned on the site to allow for a high level of visibility from residential units or the community building/office.

9. The laundry room must have adequate entrance lighting that is on from dusk to dawn.

10. If the project has only one laundry facility, it must be adjacent to the community building/office (if provided) to allow easy access and provide a handicap parking space(s).

11. One washer and one dryer must be front loading and usable by residents with mobility impairments (front loading), including at least a 30 by 48 inch clear floor space in front of each.

E. COMMUNITY / OFFICE SPACES

1. All projects must have an office on site of at least 200 square feet (inclusive of handicapped toilet facility) and a maintenance room of at least 100 square feet. This includes subsequent phases of a multi-phase development.

2. Projects with twenty four (24) or more units and more than one residential building must have separate community building.

3. The community building must contain a both a handicapped toilet facility and a kitchen area that includes a refrigerator and sink.

4. The community building/space, including toilet facilities and kitchenette but excluding maintenance room and site office, must contain a minimum of seven (7) square feet for each residential unit.

5. The office must be situated as to allow the site manager a prominent view of the residential units, playground, entrances/exits, and vehicular traffic.

6. The community building/office must be clearly marked as such by exterior signs, placed at a visible location close to the building. The signs must use contrasting colors and large letters and numbers.

F. PARKING

1. Two parking spaces per unit are required for family projects.

2. Elderly projects require a minimum of two-thirds (2/3) parking space per unit.

3. If local guidelines require less parking, the number of parking spaces required by the Agency may be reduced to meet those standards upon receiving Agency approval.

4. There must be at least one handicap parking space for each designated fully accessible apartment unit and must be the nearest available parking space to the unit.

G. REFUSE COLLECTION AREAS

1. Fencing consistent with the appearance of the residential buildings must screen the collection area. The fencing must be made of PVC or treated lumber and constructed for permanent use.

2. The pad for the refuse collection area, including the approach area, must be concrete (not asphalt).

3. The refuse collection areas may not be at the entrances or exits of the project.

4. Signs must be at all refuse collection areas to prohibit parking in front of collection facilities.

5. A concrete parking bumper, pipe bollards or 8 inch x 8 inch treated timber must be installed behind dumpsters.

6. All projects must include a pad for tenant recycling receptacles as part of the collection area even if recycling is not yet available.

VI. ADDITIONAL PROVISIONS FOR REHABILITATION OF EXISTING HOUSING

The following requirements apply to rehabilitation of existing units. Replacement of materials and methods during rehabilitation must comply with the design standards for new construction.

A. Design documents must show all proposed changes to existing and proposed buildings, parking, utilities, and landscaping. An architect or engineer must prepare the design drawings.

B. Submit a hazardous material report that provides the results of testing for asbestos containing materials, lead based paint, Polychlorinated Biphenyls (PCBs), underground storage tanks, petroleum bulk storage tanks, Chlorofluorocarbons (CFCs), and other hazardous materials. Professionals licensed to do hazardous materials testing must perform the testing. A report written by an architect, building contractor or developer will not suffice. A plan and projected costs for removal of hazardous materials must also be included.

C. Submit an engineer's report assessing the structural integrity of the building(s) being renovated.

D. Submit a current termite inspection report.

E. Show "reserves for replacements" adequate to maintain and replace any existing systems and conditions not being replaced or addressed during rehabilitation.

VII. ADDITIONAL PROVISIONS FOR ADAPTIVE RE-USE OF EXISTING STRUCTURES

A. Mechanical Systems: All mechanical systems (including HVAC, plumbing, electrical, fire suppression, security system, etc.) must be completely enclosed and concealed. This may be achieved by utilizing existing spaces in walls, floors, and ceilings, constructing mechanical chases or soffits, dropping ceilings in portions of units, or other means. Where structural or other significant limitations make complete enclosure and concealment impossible, the applicant must secure approval from the Agency prior to installation of affected systems.

B. Windows: Retain original window sashes, frames, and trim where possible. All original sashes must be repaired and otherwise upgraded to insure that all gaps and spaces are sealed so as to be weather tight. All damaged or broken window panes must be replaced. Where original window sashes cannot be retained, install replacement sashes be installed into existing frames. In all cases, windows must be finished with a complete coating of paint.

C. Floors: All wood flooring is to be restored as closely to original condition as possible. Where repairs are necessary, flooring salvaged from other areas of the building must be utilized as fill material. If salvaged wood is not available, flooring of similar dimension and species must be used. All repairs must be made by feathering in replacement flooring so as to make the repair as discreet as possible. Cutting out and replacing square sections of flooring is prohibited. Where original flooring has gaps in excess of 1/8 inch, the gaps must be filled with an appropriate filler material prior to the application of final finish.

D. Hazardous Materials: Submit a hazardous material report that provides the results of testing for asbestos containing materials, lead based paint, Polychlorinated Biphenyls (PCBs), underground storage tanks, petroleum bulk storage tanks, Chlorofluorocarbons (CFCs), and other hazardous materials. Professionals licensed to do hazardous materials testing must perform the testing. A report written by an architect or building contractor or developer will not suffice. A plan and projected costs for removal of hazardous materials must also be included.

VIII. APPLICABLE ACCESSIBILITY REGULATIONS

A. FAIR HOUSING AMENDMENTS ACT

All new construction projects are required by law to meet the handicap-accessibility standards outlined in the Fair Housing Laws, including the Federal Fair Housing Amendments Act of 1988 (the "Act"). The law provides that failure to design and construct certain residential dwelling units to include certain features of accessible design will be regarded as unlawful discrimination. Renovation projects may be exempt from design guidelines. The law applies to all housing built after March 13, 1991 with four or more units. All units in buildings with four or more units must meet the requirements of the law if the buildings have one or more elevators. All ground floor units in other buildings containing four or more units must meet the requirements of the law. Certain sites with steep terrain may have some exclusions.

B. THE AMERICANS WITH DISABILITIES ACT

All projects are required by law to meet the handicap accessibility standards outlined in the Americans With Disabilities Act (ADA). The law provides that failure to design and construct certain public accommodations to include certain features of accessible design will be regarded as unlawful discrimination. ADA Legislation became effective on July 26, 1992. Title III deals with non-discrimination on the basis of disability by public accommodations and in commercial facilities. Public accommodations include all new construction effective January 26, 1993 and impacts any rental office, model unit, public bathroom, building entrances, or any other public or common use area. Existing public accommodations must be retrofitted or altered beginning January 26, 1992, unless a financial or administrative burden exists. The ADA guidelines do not affect residential units, since these are covered under Fair Housing and Section 504 laws.

C. NORTH CAROLINA STATE ACCESSIBILITY CODE

Appendix A

All projects are required by law to meet the handicap accessibility standards as outlined in the North Carolina State Building Code. State and/or local building code officials enforce the design and construction guidelines. Compliance with these guidelines is mandatory in order to receive a Certificate of Occupancy for your proposed development. A main feature of the state accessibility code is the provision requiring all multifamily residential projects intended as full time residences for rent or lease that have eleven or more living units to have a minimum of five percent of the units, or a minimum of one, that meet the requirements. These fully accessible designated units must also be distributed throughout the project, and not placed all in one building or just in one area of the site.

DEFINITIONS

Efficiency Apartment: A unit with a minimum of 450 heated square footage (assuming new construction) in which the bedroom and living area are contained in the same room. Each unit has a full bathroom (shower/bath, lavatory and water closet) and full kitchen (stove top/oven, sink, full size refrigerator) that is located in a separate room.

Heated Square Feet: The floor area of an apartment unit, measured interior wall to interior wall, not including exterior wall square footage. Interior walls are not to be deducted, and the area occupied by a staircase may only be counted once.
Net Square Feet: Total area, including exterior wall square footage, of all conditioned (heated/cooled) space, including hallways and common areas.

One Bedroom Apartment: A unit of at least 660 heated square feet (assuming new construction) containing at least four separate rooms including a living/dining room, full kitchen, a bedroom and full bathroom.

Single Room Occupancy (SRO) Unit: A single room unit with a minimum of 250 heated square feet (assuming new construction) that is the primary residence of its occupant(s). The unit must contain either food preparation or sanitary facilities. At least one component of either a full bathroom (shower, water closet, lavatory) and/or a full kitchen (refrigerator, stove top and oven, sink) is missing. There are shared common areas in each building that contain elements of food preparation and/or sanitary facilities that are missing in the individual units.

Studio Apartment: A unit with a minimum of 375 heated square feet (assuming new construction) in which the bedroom, living area and kitchenette are contained in the same room. Each unit has components of a full bathroom (shower/bath, lavatory and water closet) and full kitchen (stove top/oven, sink, refrigerator).

Three Bedroom Apartment: A unit with a minimum of 1,100 heated square feet (assuming new construction) containing at least seven separate rooms including a living/dining room, full kitchen, three bedrooms and 1.75 bathrooms, with each unit including a minimum of one bath with a full tub and one bath with an upright shower stall.

Two Bedroom Apartment: A unit with a minimum of 900 heated square feet (assuming new construction) containing at least five separate rooms including a living/dining room, full kitchen, two bedrooms and full bathroom.

LEED for Homes Checklist

Builder Name:	
Project Team Leader (if different):	
Home Address (Street/City/State):	

Project Description:

Building Type:

# of Bedrooms: 0

Project type:

Floor Area: 0.0

Adjusted Certification Thresholds

Certified:	45.0	Gold:	75.0
Silver:	60.0	Platinum:	90.0

Project Point Total:	0	**ID:**	0	**SS:**	0	**EA:**	0	**EQ:**	0
Certification Level:	**Not Certified**	**LL:**	0	**WE:**	0	**MR:**	0	**AE:**	0

Notes:
1. Detailed information on measures below are provided in the LEED for Homes Rating System
2. ✍ Indicates measures that must be documented using the Accountability Form

					Max Points Available	Project Points Y / Pts	No	Maybe
Innovation and Design Process (ID) (No Minimum Points Required)								
1. Integrated Project Planning		1.1	Preliminary Rating		Prerequisite			
		1.2	Integrated Project Team		1			
		1.3	Professional Credentialed with Respect to LEED for Homes		1			
		1.4	Design Charrette		1			
		1.5	Building Orientation for Solar Design		1			
2. Durability Management Process		2.1	Durability Planning		Prerequisite			
		2.2	Durability Management		Prerequisite			
		2.3	Third-Party Durability Management Verification		3			
3. Innovative or Regional Design	✍	3.1	Innovation #1		1			
	✍	3.2	Innovation #2		1			
	✍	3.3	Innovation #3		1			
	✍	3.4	Innovation #4		1			
				Sub-Total for ID Category:	11		0	
Location and Linkages (LL) (No Minimum Points Required)				*OR*		Y / Pts	No	Maybe
3. LEED ND		1	LEED for Neighborhood Development	LL2-6	10			
2. Site Selection	✍	2	Site Selection		2			
3. Preferred Locations		3.1	Edge Development		1			
		3.2	Infill	LL 3.1	2			
		3.3	Previously Developed		1			
4. Infrastructure		4	Existing Infrastructure		1			
5. Community Resources		5.1	Basic Community Resources		1			
		5.2	Extensive Community Resources	LL 5.1, 5.3	2			
		5.3	Outstanding Community Resources	LL 5.1, 5.2	3			
6. Access to Open Space		6	Access to Open Space		1			
				Sub-Total for LL Category:	10		0	
Sustainable Sites (SS) (Minimum of 5 SS Points Required)				*OR*		Y / Pts	No	Maybe
1. Site Stewardship		1.1	Erosion		Prerequisite			
		1.2	Minimize Disturbed Area of Site		1			
2. Landscaping	✍	2.1	No Invasive Plants		Prerequisite			
	✍	2.2	Basic Landscape Design	SS 2.5	2			
	✍	2.3	Limit Conventional Turf	SS 2.5	3			
	✍	2.4	Drought Tolerant Plants	SS 2.5	2			
	✍	2.5	Reduce Overall Irrigation Demand by at Least 20%		6			
3. Local Heat Island Effects	✍	3	Reduce Local Heat Island Effects		1			
4. Surface Water Management	✍	4.1	Permeable Lot		4			
		4.2	Permanent Erosion Controls		1			
		4.3	Management of Run-off from Roof		2			
5. Nontoxic Pest Control		5	Pest Control Alternatives		2			
6. Compact Development		6.1	Moderate Density		2			
		6.2	High Density	SS 6.1, 6.3	3			
		6.3	Very High Density	SS 6.1, 6.2	4			
				Sub-Total for SS Category:	22		0	

LEED for Homes
Project Checklist (continued)

				OR	Max Points Available	Project Points Y / Pts	No	Maybe
Water Efficiency (WE) (Minimum of 3 WE Points Required)								
1. Water Reuse		1.1	Rainwater Harvesting System	WE 1.3	4			
		1.2	Graywater Reuse System	WE 1.3	1			
	✍	1.3	Use of Municipal Recycled Water System		3			
2. Irrigation System	✍	2.1	High Efficiency Irrigation System	WE 2.3	3			
		2.2	Third Party Inspection	WE 2.3	1			
	✍	2.3	Reduce Overall Irrigation Demand by at Least 45%		4			
3. Indoor Water Use		3.1	High-Efficiency Fixtures and Fittings		3			
		3.2	Very High Efficiency Fixtures and Fittings		6			
				Sub-Total for WE Category:	*15*		*0*	
Energy and Atmosphere (EA) (Minimum of 0 EA Points Required)				*OR*		Y / Pts	No	Maybe
1. Optimize Energy Performance		1.1	Performance of ENERGY STAR for Homes		Prerequisite			
		1.2	Exceptional Energy Performance		34			
7. Water Heating	✍	7.1	Efficient Hot Water Distribution		2			
		7.2	Pipe Insulation		1			
11. Residential Refrigerant Management		11.1	Refrigerant Charge Test		Prerequisite			
		11.2	Appropriate HVAC Refrigerants		1			
				Sub-Total for EA Category:	*38*		*0*	
Materials and Resources (MR) (Minimum of 2 MR Points Required)				*OR*		Y / Pts	No	Maybe
1. Material-Efficient Framing		1.1	Framing Order Waste Factor Limit		Prerequisite			
		1.2	Detailed Framing Documents	MR 1.5	1			
		1.3	Detailed Cut List and Lumber Order	MR 1.5	1			
		1.4	Framing Efficiencies	MR 1.5	3			
		1.5	Off-site Fabrication		4			
2. Environmentally Preferable Products	✍	2.1	FSC Certified Tropical Wood		Prerequisite			
	✍	2.2	Environmentally Preferable Products		8			
3. Waste Management		3.1	Construction Waste Management Planning		Prerequisite			
		3.2	Construction Waste Reduction		3			
				Sub-Total for MR Category:	*16*		*0*	
Indoor Environmental Quality (EQ) (Minimum of 6 EQ Points Required)				*OR*		Y / Pts	No	Maybe
1. ENERGY STAR with IAP		1	ENERGY STAR with Indoor Air Package		13			
2. Combustion Venting		2.1	Basic Combustion Venting Measures	EQ 1	Prerequisite			
		2.2	Enhanced Combustion Venting Measures	EQ 1	2			
3. Moisture Control		3	Moisture Load Control	EQ 1	1			
4. Outdoor Air Ventilation	✍	4.1	Basic Outdoor Air Ventilation	EQ 1	Prerequisite			
		4.2	Enhanced Outdoor Air Ventilation		2			
		4.3	Third-Party Performance Testing	EQ 1	1			
5. Local Exhaust	✍	5.1	Basic Local Exhaust	EQ 1	Prerequisite			
		5.2	Enhanced Local Exhaust		1			
		5.3	Third-Party Performance Testing		1			
6. Distribution of Space Heating and Cooling	✍	6.1	Room-by-Room Load Calculations	EQ 1	Prerequisite			
		6.2	Return Air Flow / Room by Room Controls	EQ 1	1			
		6.3	Third-Party Performance Test / Multiple Zones	EQ 1	2			
7. Air Filtering		7.1	Good Filters	EQ 1	Prerequisite			
		7.2	Better Filters		1			
		7.3	Best Filters	EQ 7.2	2			
8. Contaminant Control	✍	8.1	Indoor Contaminant Control during Construction	EQ 1	1			
		8.2	Indoor Contaminant Control		2			
	✍	8.3	Preoccupancy Flush	EQ 1	1			
9. Radon Protection	✍	9.1	Radon-Resistant Construction in High-Risk Areas	EQ 1	Prerequisite			
	✍	9.2	Radon-Resistant Construction in Moderate-Risk Areas	EQ 1	1			
10. Garage Pollutant Protection		10.1	No HVAC in Garage	EQ 1	Prerequisite			
		10.2	Minimize Pollutants from Garage	EQ 1	2			
		10.3	Exhaust Fan in Garage	EQ 1	1			
		10.4	Detached Garage or No Garage	EQ 1, 10.2, 10.3	3			
				Sub-Total for EQ Category:	*21*		*0*	
Awareness and Education (AE) (Minimum of 0 AE Points Required)						Y / Pts	No	Maybe
1. Education of the Homeowner or Tenant	✍	1.1	Basic Operations Training		Prerequisite			
	✍	1.2	Enhanced Training		1			
	✍	1.3	Public Awareness		1			
2. Education of Building Manager	✍	2	Education of Building Manager		1			
				Sub-Total for AE Category:	*3*		*0*	
				LEED for Homes Point Totals: (Certification level)	*136*		*0* Not Certified	

Project Checklist, Addendum A
Prescriptive Approach for Energy and Atmosphere (EA) Credits

Points cannot be earned in both the Prescriptive (below) and the Performance Approach (pg 2) of the EA section

Energy and Atmosphere (EA) (No Minimum Points Required)				OR	Max Points Available	Project Points Y / Pts	No	Maybe
2. Insulation		2.1	Basic Insulation		Prerequisite			
		2.2	Enhanced Insulation		2			
3. Air Infiltration		3.1	Reduced Envelope Leakage		Prerequisite			
		3.2	Greatly Reduced Envelope Leakage		2			
		3.3	Minimal Envelope Leakage	EA 3.2	3			
4. Windows		4.1	Good Windows		Prerequisite			
		4.2	Enhanced Windows		2			
		4.3	Exceptional Windows	EA 4.2	3			
5. Heating and Cooling Distribution System		5.1	Reduced Distribution Losses		Prerequisite			
		5.2	Greatly Reduced Distribution Losses		2			
		5.3	Minimal Distribution Losses	EA 5.2	3			
6. Space Heating and Cooling Equipment	✗a	6.1	Good HVAC Design and Installation		Prerequisite			
		6.2	High-Efficiency HVAC		2			
		6.3	Very High Efficiency HVAC	EA 6.2	4			
7. Water Heating	✗b	7.1	Efficient Hot Water Distribution		2			
		7.2	Pipe Insulation		1			
		7.3	Efficient Domestic Hot Water Equipment		3			
8. Lighting		8.3	ENERGY STAR Lights		Prerequisite			
		8.2	Improved Lighting		2			
		8.3	Advanced Lighting Package	EA 8.2	3			
9. Appliances		9.1	High-Efficiency Appliances		2			
		9.2	Water-Efficient Clothes Washer		1			
10. Renewable Energy	✗a	10	Renewable Energy System		10			
11. Residential Refrigerant Management		11.1	Refrigerant Charge Test		Prerequisite			
		11.2	Appropriate HVAC Refrigerants		1			
				Sub-Total for EA Category:	*38*		*0*	

By affixing my signature below, the undersigned does hereby declare and affirm to the USGBC that the LEED for Homes requirements, as specified in the LEED for Homes Rating System, have been met for the indicated credits and will, if audited, provide the necessary supporting documents.

Project Team Leader _____ Company _____
Signature _____ Date _____

By affixing my signature below, the undersigned does hereby declare and affirm to the USGBC that the required inspections and performance testing for the LEED for Homes requirements, as specified in the LEED for Homes Rating System, have been completed, and will provide the project documentation file, if requested.

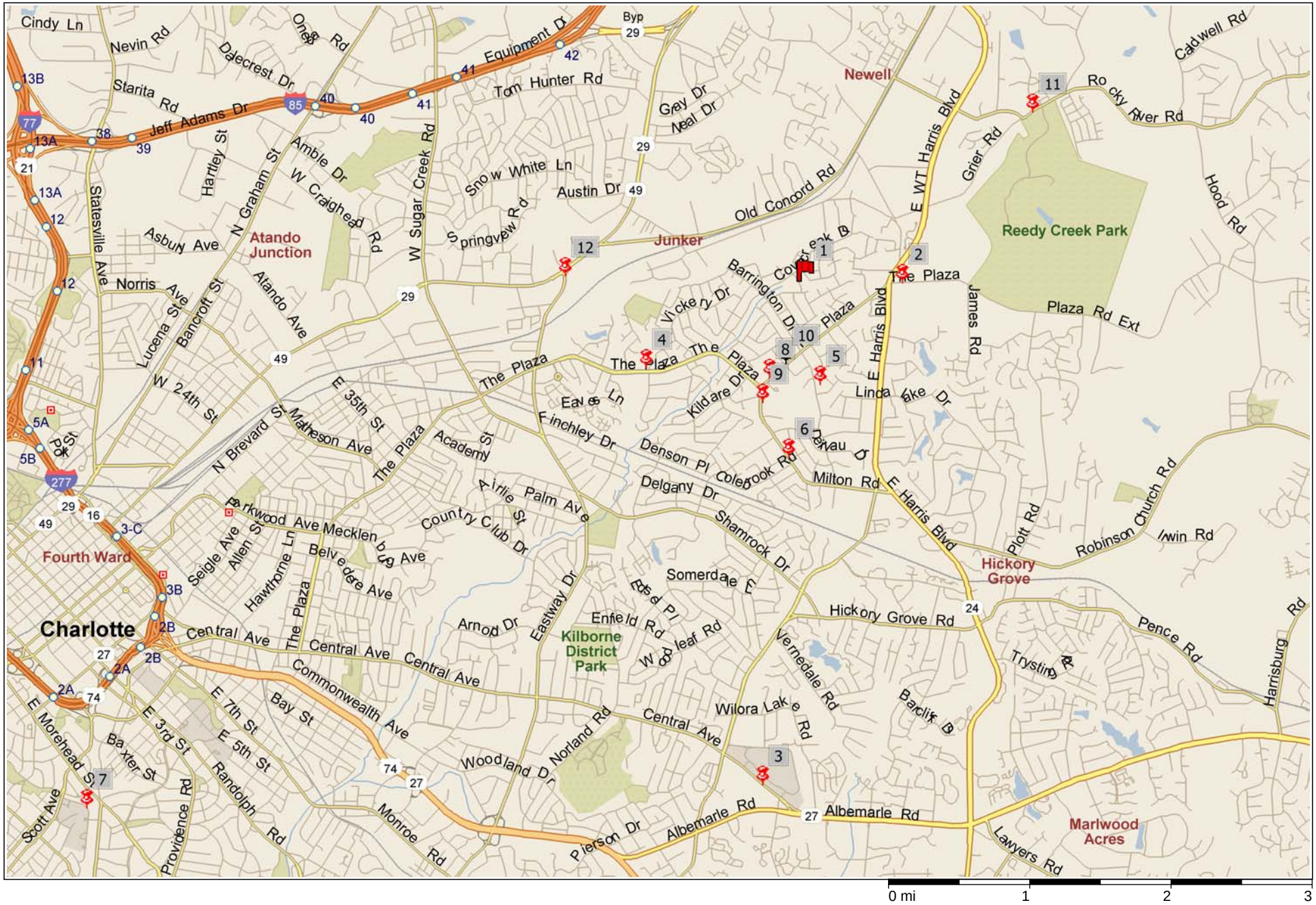
Rater's Name _____ Company _____
Signature _____ Date _____

By affixing my signature below, the undersigned does hereby declare and affirm to the USGBC that the required inspections and performance testing for the LEED for Homes requirements, as specified in the LEED for Homes Rating System, have been completed, and will provide the project documentation file, if requested.

Provider's Name _____ Company _____
Signature _____ Date _____

1	**Fairmarket Square**	**5914 Fairmarket Square**
2	Grocery Store	Food Lion - 7400 The Plz
3	Mall/Strip Center	Eastland Mall - 5471 Central Ave
4	Day Care/After School	Childcare Network Inc - 5235 The Plz
5	Schools	Devonshire Elementary School - 6500 Barrington Dr
6	Community/Senior Center	Willow Ridge Assisted Living - 2140 Milton Rd
7	Hospital	Carolinas Medical Center - 1000 Blythe Blvd
8	Pharmacy	Cvs Pharmacy - 6110 The Plz
9	Basic Health Care	Americare Health Pc - 1805 Milton Rd
10	Public Transportation	Bus Stop - The Plaza & Fairmarket
11	Public Park	Reedy Creek Park - 2900 Rocky River Rd
12	Library	Public Library Of Charlotte - 101 Eastway Drivev

Fairmarket Amenities Map



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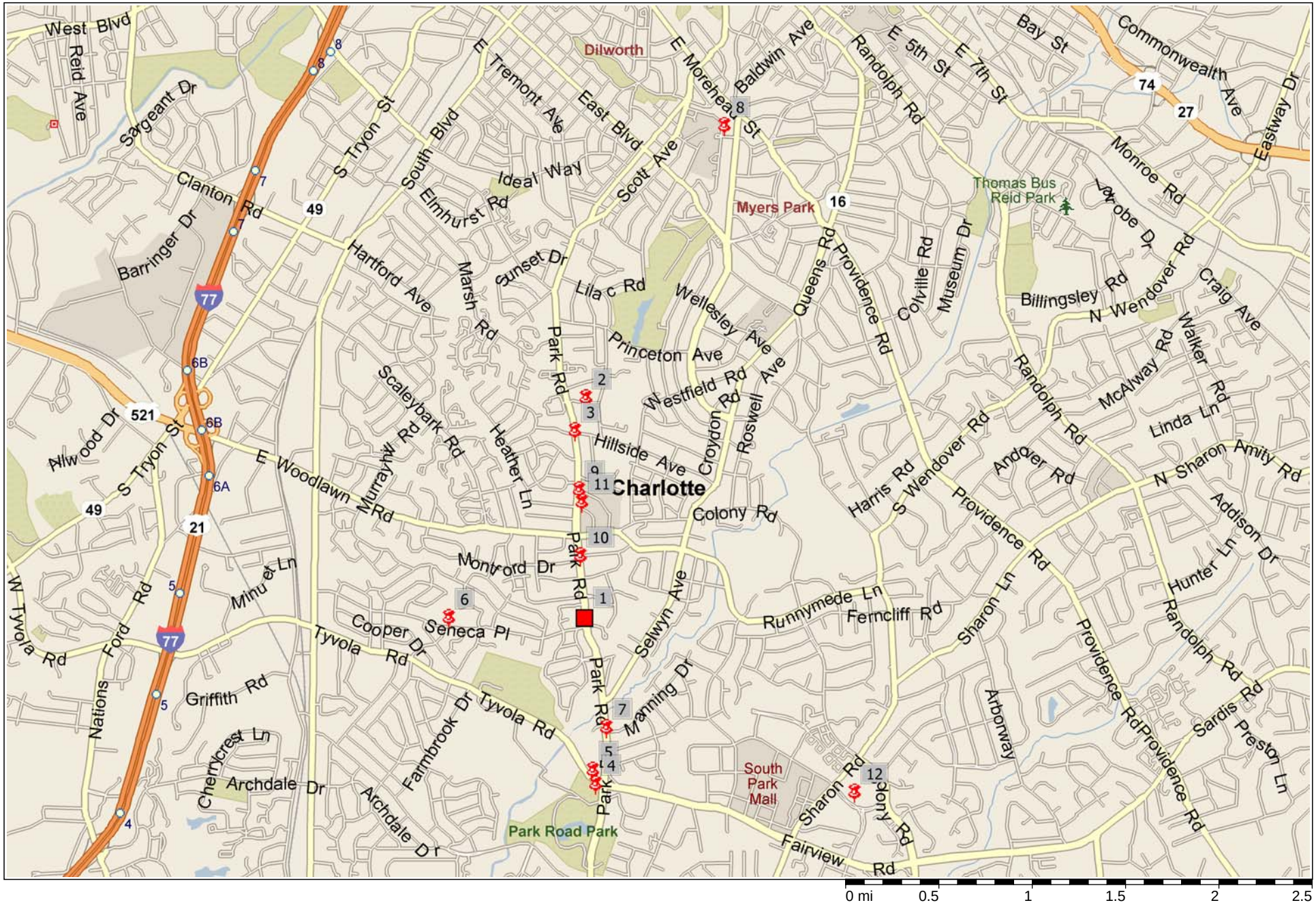
1	**Seneca Woods**	**1509 Seneca Place**
2	Grocery Store	Harris Teeter, 4101 Park Road
3	Mall/Strip Center	Park Road Shopping Center, 4105 Park Road
4	Outdoor Athletic Fields	Park Road Park - 5300 Closeburn Rd
5	Day Care/After School	La Petite Academy - 3132 Tyvola Rd
6	Schools	Huntingtowne Farm Elementary - 815 Seneca Pl
7	Community/Senior Center	Court At South Park - 5326 Park Rd
8	Hospital	Carolinas Medical Center - 1000 Blythe Blvd
9	Pharmacy	Rite Aid, 4133 Park Rd
10	Basic Health Care	Total Care, Inc - 4530 Park Rd # 430
11	Public Transportation	Bus Stops at - 4102 Park Road
12	Library	Morrison Regional Library - 7015 Morrison Blvd

Seneca Amenities Map



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Built: 1992

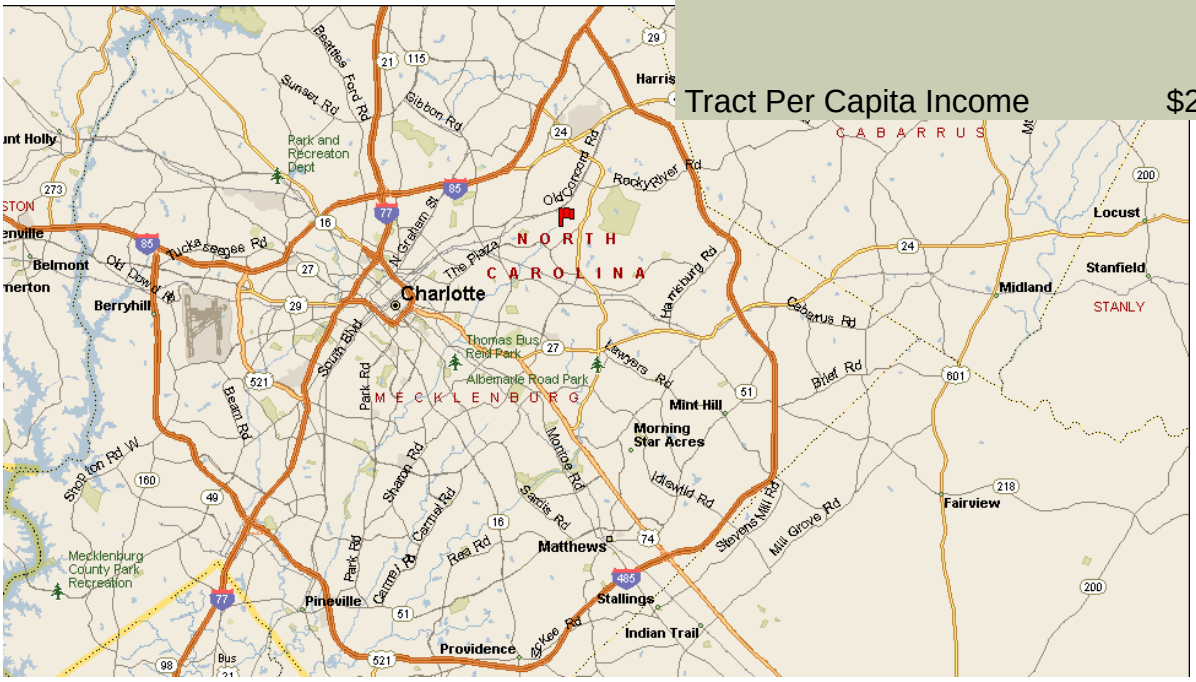
Total of 49 Units: 17 Section 9, 32 Affordable

Census Tract	31.03
Tract Population	4,564
Minority Population	18.60%
MSA Median Family Inc	$50,046
Tract Median Family Income	$55,820
% below Poverty Line	6.80%
MSA Per Capita Income	$21,587
Tract Per Capita Income	$24,608

Seneca Woods

1509 Seneca Place

Charlotte , North Carolina 28209



Built: 1990

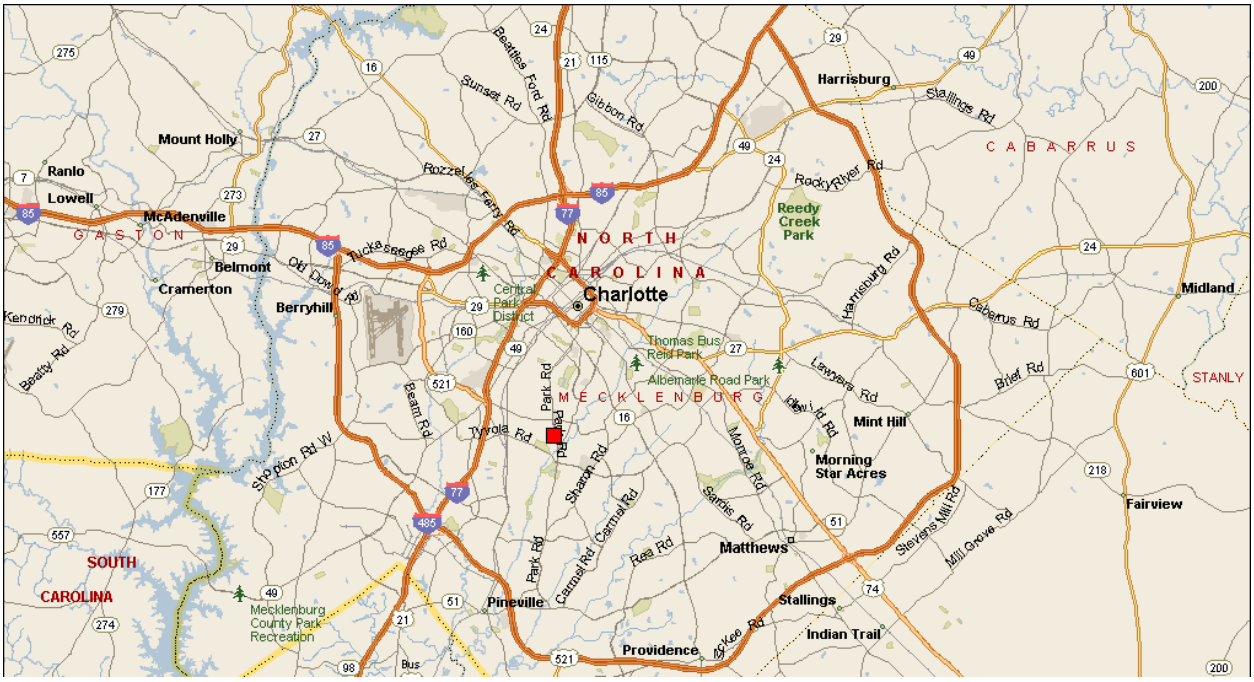
Total of 60 Units: 16 Section 9, 44 Affordable

Census Tract	15.06
Tract Population	6,423
Minority Population	85.40%
MSA Median Family Inc	$50,046
Tract Median Family Income	$46,312
% below Poverty Line	11.10%
MSA Per Capita Income	$21,587
Tract Per Capita Income	$18,497

Fairmarket Square

5914 Fairmarket Square

Charlotte, North Carolina 28215



Local MTW Capital Subsidy Analysis

Project Name:	**XYZ**			Step 1
Project Information	Number of Units		97	Step 2
	Number of VLI Units		26	Step 3
	Total Development Cost		$8,722,784	
	Per Total Unit Cost		$89,926	
	Per VLI Unit Cost*		$134,517	Step 4
	Aggregated VLI Unit Cost		$3,497,440	
	Project Type**		2	Step 5
	Net Revenue		$690,874	
	Expenses		$402,841	
	NOI		$288,033	
	Value @ X cap rate	7.00%	$4,114,760	Step 6
Operating Expenses	Total		$402,841	
	Per Unit		$4,153	Step 7
Rents	Unresticted Rent Total		$570,336	Step 8
	Restricted Rent Total		$104,520	Step 9
	Total Rent		$674,856	
	Other Income		$52,380	Step 10
	Vacancy	5%	$36,362	Step 11
	Net Revenue		$690,874	
Private Loan Amount	NOI		$288,033	
	Required DSC		1.30	Step 12
	Loan Interest rate		6.00%	
	Loan Amortization Period		20	
	Maximum Annual Payment		$221,564	
	Maximum Monthly Payment		$18,464	
	Loan Amount (by DSC)		$2,577,173	
	Limited by 75% LTV		$3,086,070	
Uses	Hard Cost		$7,779,860	Step 13
	Soft Cost		$942,924	Step 14
	Total Cost		$8,722,784	
Sources	Private Mortgage >$1,000,000		$2,577,173	
	Finanincg Committed/Planned Soft Funding		$0	Step 15
	Aggregated VLI Unit/Extraordinary Equity Amount		$6,145,611	
	Total		$8,722,784	

Legend		**Notes**
	Input	* HOPE VI TDC - Per Unit Cost
	Output	**Project Type: All Affordable = 1
		Mixed Income = 2

Local MTW Capital Subsidy Analysis

Total Development Cost	**All Project Cost**	**$8,722,784**
Financed Amount	**All Financing Committed/Planned**	**2,577,173**

This value represents the ability of the project to support private debt based on the application of the value and underwriting standards. This number is lower of the LTV or DCR debt calculation. The debt amount is arrived at by multiplying 75% by the total project cost arriving at the Loan to Value amount or dividing the NOI by the DCR then selecting the lower amount.

Subsidy Requirement	Soft Funding Needed	**$6,145,611**

This value represents the funding gap created by the reduced rents, operating gap and need for construction improvements created by the inclusion of very low income units. To calculate this number subtract the supportable debt from the total project cost. The amount remaining is the gap to filled to proceed with the project.

MTW Allowance	**Aggregated VLI Unit Amount**	**$3,497,440**

This value represents the amount of funding permitted per unit of very low income by HUD based on rehabilitation/construction cost/replacement value to achieve the useful life associated with the long term affordability required. This number is calculated by filling out the HUD Published TDC Form and dividing by the total number of very low income units to arrive at the very low income number per unit then multipling by the total number of very low income units.

	Extraordinary Equity Amount	**$2,648,171**

This value represents the extra funding required up front to capitalize/offset the long term impacts of the reduced revenue, associated reduction in value and meet the financial underwriting associated with the private debt for leverage. To calulate this number subtract the Financing Committed and Aggregrated VLI Unit Amount from the total project cost. This outcome is approximately the lost annual revenue ($104,335) over 40 years ($4,173,400) which then falls in the range of $2,619098 to $2,854,133 at Present Value with a 2.5%-2% assumed return, respectively.

MTW Capital Requirement	**Total Capital**	**$6,145,611**

Appendix D

CHARLOTTE HOUSING AUTHORITY

COMMUNITY BASED RENTAL ASSISTANCE POLICY

In accordance with the Charlotte Housing Authority's ("CHA") Moving To Work ("MTW") Agreement and 2008-9 MTW Plan (Section IV. D3), CHA is implementing the following streamlined Community Based Rental Assistance (formerly "Project Based Section 8") process to achieve greater efficiency as we use our project based authority to create more housing opportunities.

A streamlined process will allow CHA to project base more units in a timely manner. In addition, a simplified process should promote more partnerships with local housing providers. The increased use of project based vouchers is intended to address the following concerns:

1. Concentration and perceived clustering of Section 8 households in lower amenity Charlotte neighborhoods
2. The community's need for special needs housing, especially service-enriched housing
3. Need for more local management with experience in Charlotte and less absentee landlords
4. Increasing displacement of low-income families in revitalizing communities

<u>MTW Plan - Community Based Rental Assistance Goals</u>

The goal of this initiative is to place as many Community Based Rental Assistance units as possible in the following areas:

- "Stable" communities, as defined by the City of Charlotte's Quality of Life Study
- Neighborhoods with an active revitalization plan
- Neighborhoods along Charlotte's new transportation corridors, including light rail

For families, placing an emphasis on "stable" neighborhoods will lead to better access to amenities and higher performing schools. For the community, this will promote deconcentration of CHA's tenant assistance portfolio.

Two additional objectives of the policy are to:

- Increase the number of "hard units" in our affordable housing portfolio, enabling better communication with landlords and monitoring of assisted units

- Partner with the Charlotte community to provide housing units for special needs populations (including homeless and disabled households) where services are being provided to residents

New Project Based Section 8 Process

Annually, staff will recommend to the Board a target number of Community Based Rental Assistance units in each of the following three categories:

1) Family
2) Special Needs, including homeless
3) Senior

Selection Process:

Units Owned by CHA: CHA will project-base rental assistance at properties owned directly or indirectly (through participation as a member in a tax credit or other LLC, and when operating through Horizon subsidiaries), subject only to HUD subsidy-layering rules. No process through the local field office will be required. CHA will certify compliance with subsidy layering rules.

Units not owned by CHA: Where CHA is not directly or indirectly an owner, CHA staff will rely on the North Carolina Housing Finance Agency (NCHFA) tax credit process as its competitive process. In non-tax credit deals with local City government funding, CHA will rely on the City's Housing Trust Fund competitive process. Where no tax credits or City funds are present, but the development has AHP funding, CHA will rely on that competitive process for approval.

Therefore, when a deal has received either an NCHFA tax credit allocation, a City of Charlotte Housing Trust Fund award or an AHP grant or loan within the past three years, CHA may award Community Based Rental Assistance if the deal meets the minimum requirements outlined below.

CHA will accept proposals on an ongoing basis. In accordance with CHA's Annual Plan, CHA may periodically advertise that it is accepting proposals for one or more categories in The Charlotte Observer. In addition to, or in place of advertising, CHA may also directly contact specific owners that have already been selected through one of the competitive processes above to inform them of available project based assistance.

Proposals will be reviewed on a first-come first-served basis, If CHA receives applications for more units than have been approved in any category, then proposals will be given priority according to the criteria outlined below.

Where there is no other competitive process present, CHA will rank any other applicants according to the criteria outlined below.

Selection Criteria:

Each category will have its own criteria to be awarded Community Based Rental Assistance, based on the goals set forth above and in the approved 2008-9 MTW Plan.

Family Units

1. Must be in a "stable" or positively "transitioning" neighborhood, as defined in the City of Charlotte's most recent Quality of Life Study (the most recent published study at the time of application will determine status) ***OR*** the units are in areas with an active revitalization plan/HOPE VI redevelopment. Units in stable neighborhoods will be given first priority over transitioning neighborhoods.
2. Families must have one member either working or participating in a work support program. Families must also be participating in a self-sufficiency program.
3. No more than 25% of the units in a family development will be project-based. *(This does not apply to senior and special needs housing).*
4. Developments in neighborhoods within a mile of one of Charlotte's new transportation corridors, including light rail, will be given second priority.

Special Needs Units

1. Category includes units for homeless, disabled, domestic violence, transitional youth and other special needs.
2. Services must be being provided onsite or in coordination with the housing. Higher levels of service provision will be given first priority.
3. Must be in a "stable" or positively "transitioning" neighborhood, as defined above. Exceptions may be made for special needs units where the poverty rate does not exceed 20%, or the trend in the poverty rate is positive.
4. Developments in neighborhoods within a mile of one of Charlotte's new transportation corridors, including light rail, will be given second priority.

Senior Units

1. Must be in a "stable" or positively "transitioning" neighborhood (as defined above) ***OR*** the units are in areas with an active revitalization plan/HOPE VI redevelopment. Units in stable neighborhoods will be given first priority over transitioning neighborhoods.
2. Developments in Uptown Charlotte or in neighborhoods within a mile of one of Charlotte's new transportation corridors, including light rail, will be given second priority.

3. Services must be provided onsite or in coordination with the housing. Higher levels of service provision will be given priority if the locational criteria rank equally.

In addition to meeting the above criteria, each deal must meet HUD Site Selection Standards set forth in CFR 983.57. Each deal must also be in compliance with HUD subsidy layering rules, the Fair Housing Act, Davis-Bacon regulations for new construction and all other applicable HUD regulations.

Housing Types

CHA may provide Community Based Rental Assistance in permanent and transitional housing. In addition, other innovative solutions to addressing Charlotte's affordable housing needs may be funded as demonstration projects.

Site Based Waiting Lists

Entities who receive Community Based Rental Assistance from CHA may establish their own waiting lists based on criteria specified in their Housing Assistance Payment ("HAP") contract, their special program requirements and an approved tenant selection plan.

HAP Contract Terms

CHA will make annual commitments for Community Based Rental Assistance funding renewable for periods up to 40 years, subject to annual appropriations. Commitments for project-based funding will take priority over tenant-based funding in the allocation of annual appropriations.

Family Right To Move

CHA intends to waive Subpart F, 983.260, Family Right to Move, so that a family will not be offered the opportunity for continued tenant-based rental assistance if they leave the project-based unit after one year. This will prevent households from circumventing the Section 8 waiting list by moving to a project-based unit for one year and provide more stability to project-based developments. There may be an exception for special needs units.

Housing Quality Standards

All housing units, and the buildings in which they are located, must meet HUD's Housing Quality Standards, or alternate Inspection Standards CHA may implement PHA-wide.

Exceptions

Staff may make exceptions noted in this policy. Any other exceptions will have to be approved by the Board.

Other Guidelines

This policy implements the Project-based Section 8 Initiative in Section IV D3 of CHA's 2008-9 Annual MTW Plan. Staff is authorized to develop additional procedures as necessary to implement this policy. Staff will make annual recommendations on the number of units to be project-based and as to any changes that may be necessary to the policy.

Board Approval Date: September 16, 2008

SOURCES AND USES OF FUNDS

The Operating Budgets for the fiscal year 2008-2009 for the Charlotte Housing Authority were based on 1) the priorities set by the Board, 2) the Mission of the Housing Authority 3) our strategic goals and 4) HUD's directive for project based management, accounting and budgeting.

MISSION

The Charlotte Housing Authority is a non-profit real estate holding company with a public purpose. That public purpose is to provide decent, safe and affordable housing to low and moderate-income families while supporting their efforts to achieve self-sufficiency.

Strategic Goals

In order to accomplish our vision and mission, the following strategic goals have been established to transform the Authority into the type of real estate entity that more effectively meets the community's needs.

Strategic Goal #1: Lead the development of collaborative relationships for affordable housing solutions to a broad continuum of stakeholders.

Strategic Goal #2: Maximize the economic, physical, and social value of our real estate portfolio.

Strategic Goal #3: Ensure that the Authority attains long-term financial viability.

Strategic Goal #4: Provide the highest quality, most cost-effective real estate management services, which exceed HUD and industry standards.

Strategic Goal #5: Create an environment that facilitates the development of client families to reach their highest potential.

SOURCES OF FUNDS

This next section looks at how well we managed our resources within the confines of how we expected to spend our resources. We are comparing the original budget (per the MTW Annual Plan) to our actual spending for the fiscal year April 2008 to March 2009. Note, during the year our Board of Commissioners allows the allocation of funds for projects that were not anticipated for the year. These changes to the budget are seen in the Revised Budget Per Draft Audit column. Also included in that column are the administrative budget changes that we made during the year. These budget changes allowed us to reallocate budgeted expense money to different lines items within major categories so that we are able to stay within our spending limits. While in some instances it may appear we spent more than budgeted by major category, a look at the revised budget column shows that we have reallocated resources to ensure that overspending by category did not occur.

MTW

EXHIBIT A

MOVING TO WORK FUNDS SOURCES OF FUNDS	2008-2009 REVISED BUDGET (PER DRAFT AUDIT)	2008-2009 ORIGINAL BUDGET (PER MTW PLAN)	2008-2009 ACTUAL (PER DRAFT AUDIT)	VARIANCE ORIGINAL BUDGET TO ACTUAL	
Administrative Fees	2,343,223	2,310,909	1,897,213	(413,696)	A
Public Housing Revenues	10,450,322	13,496,225	10,869,389	(2,626,836)	A
Section 8 Fees	37,167,683	39,540,611	36,883,698	(2,656,913)	A
Capital Fund	13,393,356	4,915,755	4,427,353	(488,402)	A
Interest Income	335,000	-	345,351	345,351	B
Other Sources	14,532,781	-	-	-	
TOTAL SOURCES OF FUNDS	78,222,365	60,263,500	54,423,004	(5,840,496)	

VARIANCE ANALYSIS

A. Administrative fees, subsidies and capital fund income estimated higher than funding received. Estimates made before final notification from HUD.

B. Interest income was not budgeted in the original budget.

CENTRAL OFFICE COST CENTER (COCC)

EXHIBIT B

CENTRAL OFFICE COST CENTER SOURCES OF FUNDS	2008-2009 REVISED BUDGET (PER DRAFT AUDIT)	2008-2009 ORIGINAL BUDGET (PER MTW PLAN)	2008-2009 ACTUAL (PER DRAFT AUDIT)	VARIANCE ORIGINAL BUDGET TO ACTUAL	
Public Housing Revenues	1,952,426	1,952,426	1,937,482	(14,944)	A
Section 8 Fees	1,001,754	1,001,754	978,822	(22,932)	A
Horizon Fees	251,082	251,082	210,547	(40,535)	A
Quality Control Revenue	50,040	50,040	100,738	50,698	B
Relocation Fees	801,472	801,472	988,523	187,051	C
Hoefener Fees	38,397	38,397	32,898	(5,499)	D
Maintenance Operations Revenue	518,478	518,478	412,007	(106,471)	E
Investment Income	150,085	150,085	14,912	(135,173)	F
Bond Issuance Fees	90,000	90,000	5,000	(85,000)	G
Capital Fund Income	491,575	-	491,575	491,575	H
Other Income	591,102	64,350	475,198	410,848	I
Other Sources	740,642	925,813	-	(925,813)	J
TOTAL SOURCES OF FUNDS	6,677,053	5,843,896	5,647,702	(196,195)	

VARIANCE ANALYSIS

A. Property management and bookkeeping fees are based on actual units occupied and vouchers utilized during the year which was slightly less than budgeted. Property management, bookkeeping and asset management fees were not allowed for one Horizon Development Properties, Inc. property.

B. Our asset management department performs bond monitoring and property management oversight for some of our privately managed sites. These actual fees received were more than budgeted.

C. The City Relocation Program received more participants as the city increased the number of clients sent to us due to the condemnation of properties.

D. Hoefener fees are less than budgeted because fees are based on a percentage of total expenses which were less than budgeted.

E. Less than anticipated use of centralized maintenance services. On site staff is performing more maintenance work.

F. Investment income less than budgeted due to inter program loans.

G. A bond application fee was received, however no bonds were issued as anticipated.

H. Capital Fund not budgeted in the original budget.

I. Revenue derived from two years of Energy conservation savings.

J. Fund balance was not appropriated.

ASSET MANGEMENT PROJECTS

EXHIBIT C

ASSET MANAGEMENT PROJECTS SOURCES OF FUNDS	2008-2009 REVISED BUDGET (PER DRAFT AUDIT)	2008-2009 ORIGINAL BUDGET (PER MTW PLAN)	2008-2009 ACTUAL (PER DRAFT AUDIT)	VARIANCE ORIGINAL BUDGET TO ACTUAL	
Tenant Rental Revenue	4,670,641	4,670,642	4,688,733	18,091	A
Other Resident Income i.e. Late Fees, Excess Utilities	271,586	271,586	451,365	179,779	B
Other Revenue	4,067,787	1,016,416	4,536,450	3,520,034	C
Other Sources	18,154,749	14,837,277	14,408,504	(428,773)	D
TOTAL SOURCES OF FUNDS	27,164,763	20,795,921	24,085,052	3,289,131	

VARIANCE ANALYSIS

A. Tenant rents were more than budgeted due to modernization efforts completed earlier than anticipated at four properties.

B. Other resident income was more than budgeted especially in excess utilities which was $153,000 more than budgeted.

C. Other revenue was more than budgeted due to unbudgeted housing grants received from the City and County for real estate taxes and an unbudgeted ground lease.

D. No fund balance appropriated.

SECTION 8

EXHIBIT D

SECTION 8 SOURCES OF FUNDS	2008-2009 REVISED BUDGET (PER DRAFT AUDIT)	2008-2009 ORIGINAL BUDGET (PER MTW PLAN)	2008-2009 ACTUAL (PER DRAFT AUDIT)	VARIANCE ORIGINAL BUDGET TO ACTUAL	
Operating Subsidy	79,236	-	66,030	66,030	A
Administrative Fees - Vouchers	5,220	-	4,350	4,350	A
Administrative Fees - Portables	200,000	200,000	200,929	929	
Interest Income	100,000	100,000	76,107	(23,893)	B
Other Revenue	250,103	250,103	66,522	(183,581)	C
Other Sources	33,140,584	33,083,304	31,201,828	(1,881,476)	D
TOTAL SOURCES OF FUNDS	33,775,143	33,633,407	31,615,766	(2,017,641)	

VARIANCE ANALYSIS

A. Victoria Townhouse vouchers were not budgeted in the original Section 8 budget.

B. Interest income less than projected because of low interest rates from an economic downturn.

C. Fraud recovery payments are less than budgeted because staff's scope of work changed to focus on program compliance.

D. Less than budgeted amount transferred from MTW funds. Transferred amounts are based on Section 8 expenditures.

HORIZON DEVELOPMENT PROPERTIES, INC.

EXHIBIT E

HORIZON DEVELOPMENT SOURCES OF FUNDS	2008-2009 REVISED BUDGET (PER DRAFT AUDIT)	2008-2009 ORIGINAL BUDGET (PER MTW PLAN)	2008-2009 ACTUAL (PER DRAFT AUDIT)	VARIANCE ORIGINAL BUDGET TO ACTUAL	
Net Tenant Rental Revenue	1,714,779	1,714,779	1,679,255	(35,524)	A
Other Income	748,637	648,739	446,078	(202,661)	B
Restricted Donations	565,809	-	333,547	333,547	C
PILOT Refund	197,194	-	318,531	318,531	D
Subsidy	240,696	240,696	193,473	(47,223)	E
Other Sources	2,992,012	410,331	1,675,751	1,265,420	F
TOTAL SOURCES OF FUNDS	6,459,127	3,014,545	4,646,635	1,632,090	

VARIANCE ANALYSIS

A. Received less than budgeted rental income at some sites due to renovations.

B. Other Income less than budgeted because the anticipated sale of Hall House did not take place.

C. Restricted Donations represent funds used for the Hall House Homeless Initiative which were not included in the original budget.

D. PILOT refund was received after negotiations with the City and County. Also this was not budgeted in the original budget.

E. Subsidy from project based Section 8 property was less than budgeted, as it is based on occupancy. Adjustments were also made to subsidy from HUD during the year.

F. Favorable variance due to proceeds from notes, loans and bonds and governmental grants received. These items were not included in the original budget.

CAROLE HOEFENER CENTER

EXHIBIT F

CAROLE HOEFENER CENTER SOURCES OF FUNDS	2008-2009 REVISED BUDGET (PER DRAFT AUDIT)	2008-2009 ORIGINAL BUDGET (PER MTW PLAN)	2008-2009 ACTUAL (PER DRAFT AUDIT)	VARIANCE ORIGINAL BUDGET TO ACTUAL	
Non Dwelling Rent	260,336	260,336	278,988	18,652	A
Other Sources	36,546	36,546	-	(36,546)	B
TOTAL SOURCES OF FUNDS:	296,882	296,882	278,988	(17,894)	

VARIANCE ANALYSIS

A. The actual revenue was approximately $17,000 more than anticipated from space rented for a daycare. Rental revenue from the PELM - Daycare Center is formula driven and based on a percentage of expenses.

B. Fund balance was not appropriated.

HORIZON ACQUISITION CORP.

EXHIBIT G

HORIZON ACQUISITION SOURCES OF FUNDS	2008-2009 REVISED BUDGET (PER DRAFT AUDIT)	2008-2009 ORIGINAL BUDGET (PER MTW PLAN)	2008-2009 ACTUAL (PER DRAFT AUDIT)	VARIANCE ORIGINAL BUDGET TO ACTUAL	
Developer Fees Earned	170,461	170,461	133,090	(37,371)	A
TOTAL SOURCES OF FUNDS:	170,461	170,461	133,090	(37,371)	

VARIANCE ANALYSIS

A. Developer Fees were less than budgeted. Fees were only received for Springfield Gardens.

USES OF FUNDS

Operating expenses are similar for each of the funds. In each case for the major categories, we have remained within the budgeted parameters. As stated earlier, administrative budget changes were done to allow us to reallocate budgeted expense money to different line items within major categories so that we are able to stay within our spending limits. A brief description of expenses by major category follows.

Administrative expenses are those expenses such as salaries, benefits and other sundry expenses - telephones, office supplies and training for site managers, consulting services, housing specialist in our Section 8 program etc.

Tenant and Social Services represent those cost associated with staff that provides case management to our residents. Those costs also include salary/ benefits, sundry expenses and security contracts.

Maintenance represent all cost associated with maintenance of the properties. Staff salaries, materials and outside contract services such a pest control and lawn care.

Protective Services represents the cost associated with the Resident Safety area. These costs include staff salary, benefits and other sundry expenses.

Other General represents those costs for insurance- auto and property, bad debt and indirect public housing charges.

MOVING TO WORK

EXHIBIT H

MOVING TO WORK FUNDS USES OF FUNDS	2008-2009 REVISED BUDGET (PER DRAFT AUDIT)	2008-2009 ORIGINAL BUDGET (PER MTW PLAN)	2008-2009 ACTUAL (PER DRAFT AUDIT)	VARIANCE ORIGINAL BUDGET TO ACTUAL	
Administrative	1,270,719	154,292	803,861	649,569	A
Implementation of MTW Initiatives	9,903,504	12,403,681	-	(12,403,681)	B
Capitalized Items	50,000	-	13,394	13,394	C
TOTAL OPERATING EXPENSES	11,224,223	12,557,973	817,255	(11,740,718)	
Other Items	66,998,142	47,705,527	44,276,656	(3,428,871)	D
TOTAL USES OF FUNDS	78,222,365	60,263,500	45,093,911	(15,169,589)	

VARIANCE ANALYSIS

A. Projects approved by the Board of Commissioners were added after the original budget was adopted.

B. Variance due to timing of development projects.

C. Cost of project was less than budgeted as parameters changed, which decreased the overall cost.

D. Transfer of funds to Public Housing and Section 8 were less than budgeted.

CENTRAL OFFICE COST CENTER (COCC)

EXHIBIT I

CENTRAL OFFICE COST CENTER USES OF FUNDS	2008-2009 REVISED BUDGET (PER DRAFT AUDIT)	2008-2009 ORIGINAL BUDGET (PER MTW PLAN)	2008-2009 ACTUAL (PER DRAFT AUDIT)	VARIANCE ORIGINAL BUDGET TO ACTUAL	
Administrative	4,390,178	4,205,149	4,023,426	(181,723)	A
Tenant and Social Services	728,701	694,055	615,467	(78,588)	B
Ordinary Maintenance and Operation	514,961	494,931	480,070	(14,861)	C
Utilities	59,804	56,300	48,372	(7,928)	D
General Expenses	740,832	242,959	448,857	205,898	E
TOTAL OPERATING EXPENSES	6,434,476	5,693,394	5,616,192	(77,202)	
Other Uses	242,577	150.500	47,665	(102,835)	F
TOTAL USES OF FUNDS	6,677,053	5,843,894	5,663,857	(180,037)	

VARIANCE ANALYSIS

A. Favorable variance due to open positions and less than budgeted sundry expenses. Training, non capital computer equipment/software and professional services make up the largest portion of the underage in sundry expenses.

B. Favorable variance due to less than budgeted relocation cost in our City Relocation program.

C. Spending was less than budgeted in HVAC contract, landscape maintenance and vehicle maintenance.

D. Under budget in all utility areas. However, electricity had the highest variance.

E. Unfavorable variance due to the Mews infrastructure project. A budget amendment approved by the Board of Commissioners increased the revised budget to accommodate the increased expenditures for the Mews project.

F. Favorable variance due to less than budgeted spending for capital items and future appropriations.

ASSET MANAGEMENT PROJECTS

EXHIBIT J

ASSET MANAGEMENT PROJECTS USES OF FUNDS	2008-2009 REVISED BUDGET (PER DRAFT AUDIT)	2008-2009 ORIGINAL BUDGET (PER MTW PLAN)	2008-2009 ACTUAL (PER DRAFT AUDIT)	VARIANCE ORIGINAL BUDGET TO ACTUAL	
Administrative	3,857,354	3,428,805	3,560,100	131,295	A
Tenant and Social Services	3,597,662	1,475,401	1,656,970	181,569	B
Utilities	4,007,334	3,882,968	3,789,859	(93,109)	C
Ordinary Maintenance and Operation	6,067,449	5,320,704	5,738,220	417,516	D
General Expenses	6,321,788	3,033,131	5,218,003	2,184,872	E
OPERATING EXPENSES:	23,851,587	17,141,009	19,963,152	2,822,143	
Other Items	3,313,176	3,654,911	2,123,329	(1,531,582)	F
TOTAL USES OF FUNDS	27,164,763	20,795,920	22,086,481	1,290,561	

VARIANCE ANALYSIS

A. Additional funds were budgeted for the Hall House disposition.

B. Additional funds were budgeted for tenant expenses at the mixed income communities.

C. In the utility area, electricity cost were less than budgeted

D. Administrative budget changes were done to reallocate expenses to cover necessary items in maintenance contracts and materials.

E. Additional funds were budgeted to pass through the Housing Grants received from the City and County for real estate taxes to the mixed income communities.

F. No money was needed prior to year end for Live Oak Multifamily, and proceeds were received from the sale of land at Piedmont Courts.

SECTION 8

EXHIBIT K

SECTION 8 USES OF FUNDS	2008-2009 REVISED BUDGET (PER DRAFT AUDIT)	2008-2009 ORIGINAL BUDGET (PER MTW PLAN)	2008-2009 ACTUAL (PER DRAFT AUDIT)	VARIANCE ORIGINAL BUDGET TO ACTUAL	
Administrative	3,226,652	3,326,552	2,788,131	(538,421)	A
Tenant and Social Services	854,338	854,337	785,226	(69,111)	B
Ordinary Maintenance and Operation	179,412	28,912	85,262	56,350	C
Housing Assistance Payments	29,323,757	29,244,521	27,804,787	(1,439,734)	D
Protective Services	118,070	114,170	94,391	(19,779)	E
General Expenses	36,914	28,914	29,376	462	
TOTAL OPERATING EXPENSES	33,739,143	33,597,406	31,587,173	(2,010,233)	
Other Items	36,000	36,000	28,593	(7,407)	F
TOTAL USES OF FUNDS	33,775,143	33,633,406	31,615,766	(2,017,640)	

VARIANCE ANALYSIS

A. Favorable variance due to vacant positions. Also less than budgeted spending in Professional Consultation expense associated with MTW funds.

B. Lapsed salary due to vacant case management positions and less than budgeted asset management fees.

C. Unfavorable variance due to cost of inspections. Board approved amendment done for expenditures associated with inspections.

D. Less than 100% vouchers utilized.

E. Vacant positions during part of the year.

F. Automobiles purchased were less than budgeted.

HORIZON DEVELOPMENT PROPERTIES, INC.

EXHIBIT L

HORIZON DEVELOPMENT USES OF FUNDS	2008-2009 REVISED BUDGET (PER DRAFT AUDIT)	2008-2009 ORIGINAL BUDGET (PER MTW PLAN)	2008-2009 ACTUAL (PER DRAFT AUDIT)	VARIANCE ORIGINAL BUDGET TO ACTUAL	
Administrative	1,934,485	1,271,957	1,342,613	70,656	A
Tenant and Social Services	197,219	161,693	129,948	(31,745)	B
Ordinary Maintenance and Operation	943,728	822,031	825,453	3,422	
Utilities	427,705	278,606	293,222	14,616	C
Protective Services	90,000	-	88,889	88,889	D
General Expenses	2,865,990	480,259	2,044,089	1,563,830	E
TOTAL USES OF FUNDS	6,459,127	3,014,546	4,724,214	1,709,668	

VARIANCE ANALYSIS

A. Unfavorable variance, however Board approved amendments for projects in the revised budget eliminated any overages.

B. Project expenditures for the IDA did not materialize. The asset management fee for Real Estate is under budget. The fee is calculated as a percentage of total expense.

C. Electricity and gas consumption was less than budgeted.

D. Administrative budget change was done to budget for the expenses associated with the homeless project at Hall House.

E. Krefeld land purchase was added as a Board approved project.

CAROLE HOEFENER CENTER

EXHIBIT M

CAROLE HOEFENER CENTER USES OF FUNDS	2008-2009 REVISED BUDGET (PER DRAFT AUDIT)	2008-2009 ORIGINAL BUDGET (PER MTW PLAN)	2008-2009 ACTUAL (PER DRAFT AUDIT)	VARIANCE ORIGINAL BUDGET TO ACTUAL	
Administrative	72,508	74,067	70,438	(3,629)	A
Tenant & Social Services	38,397	38,397	32,898	(5,499)	B
Ordinary Maintenance and Operation	96,343	103,995	89,481	(14,514)	C
Utilities	63,204	63,204	51,795	(11,409)	D
General Expenses	26,430	17,220	24,050	6,830	E
TOTAL USES OF FUNDS	296,882	296,883	268,662	(28,221)	

VARIANCE ANALYSIS

A. Less than budgeted spending in sundry expenses items such as advertising, office supplies, and office furniture/equipment rental.

B. Favorable variance due to budgeted asset management fee which is calculated as a percentage of total expense.

C. Favorable variance due to less than budgeted spending in salary, overtime and various maintenance contracts.

D. Less than budgeted consumption in electricity.

E. Unfavorable variance reflected and an administrative budget change was done to cover the cost of capital items purchased.

HORIZON ACQUISITION CORP

EXHIBIT N

HORIZON ACQUISITION USES OF FUNDS	2008-2009 REVISED BUDGET (PER DRAFT AUDIT)	2008-2009 ORIGINAL BUDGET (PER MTW PLAN)	2008-2009 ACTUAL (PER DRAFT AUDIT)	VARIANCE ORIGINAL BUDGET TO ACTUAL	
Total Administrative:	170,461	170,461	133,090	(37,371)	A
TOTAL USES OF FUNDS	170,461	170,461	133,090	(37,371)	

VARIANCE ANALYSIS

A. Management fees were less than expected.

Appendix G

CAPITAL FUND PROGRAM

EXHIBIT A

CAPITAL FUND PROGRAM SOURCES OF FUNDS	2008-2009 REVISED BUDGET (PER DRAFT AUDIT)	2008-2009 ORIGINAL BUDGET (PER MTW PLAN)	2008-2009 ACTUAL (PER DRAFT AUDIT)	VARIANCE ORIGINAL BUDGET TO ACTUAL	
2008 Capital Fund Grant	5,338,972	5,338,972	0	-5,338,972	A
TOTAL SOURCES OF FUNDS	5,338,972	5,338,972	0	-5,338,972	

VARIANCE ANALYSIS

A. No revenue from the 2008 Capital Fund Grant was received due to there being no expenditure of funds from this grant. There was a total of $10,720,408 available revenue from our 2005, 2006 and 2007 Capital Fund Grants for the projects that were done for this fiscal year.

REPLACEMENT HOUSING FUND PROGRAM

EXHIBIT B

REPLACEMENT HOUSING FUND PROGRAM SOURCES OF FUNDS	2008-2009 REVISED BUDGET (PER DRAFT AUDIT)	2008-2009 ORIGINAL BUDGET (PER MTW PLAN)	2008-2009 ACTUAL (PER DRAFT AUDIT)	VARIANCE ORIGINAL BUDGET TO ACTUAL	
2008 RHF Grant, Increment #1	290,100	290,100	0	-290,100	A
2008 RHF Grant, Increment #2	302,576	302,576	0	-302,576	A
TOTAL SOURCES OF FUNDS	592,676	592,676	0	-592,676	

VARIANCE ANALYSIS

A. No revenue was received from HUD for both increments of the Replacement Housing Fund Grants due to the grants were not approved as a part of a replacement housing project during this fiscal year and are therefore not available.

CAPITAL FUND PROGRAM

EXHIBIT C

CAPITAL FUND PROGRAM SOURCES OF FUNDS	2008-2009 REVISED BUDGET (PER DRAFT AUDIT)	2008-2009 ORIGINAL BUDGET (PER MTW PLAN)	2008-2009 ACTUAL (PER DRAFT AUDIT)	VARIANCE ORIGINAL BUDGET TO ACTUAL	
Operations	0	0	0	0	
Management Improvements	0	75,000	0	0	
Administration	533,897	499,076	0	533,897	A
Audit	0	1,000	0	0	
Fees and Costs	0	344,594	0	0	
Infrastructure	0	20,000	0	0	
Dwelling Structures	0	4,039,240	0	0	
Dwelling Equipment	0	38,750	0	0	
Non-Dwelling Structures	0	65,000	0	0	
Non-Dwelling Equipment	0	40,000	0	0	
MTW Demonstration	4,805,075	0	0	4,805,075	A
Relocation	0	72,000	0	0	
Contingency	0	144,312	0	0	
TOTAL SOURCES OF FUNDS	5,338,972	5,338,972	0	5,338,972	

VARIANCE ANALYSIS

A. There were no expenditures from the 2008 Capital Fund Grant during this fiscal year due to funds being available from our 2005, 2006 and 2007 Capital Fund Grants of which there were expenditures of $7,093,377.

REPLACEMENT HOUSING FUND PROGRAM

EXHIBIT D

REPLACEMENT HOUSING FUND PROGRAM SOURCES OF FUNDS	2008-2009 REVISED BUDGET (PER DRAFT AUDIT)	2008-2009 ORIGINAL BUDGET (PER MTW PLAN)	2008-2009 ACTUAL (PER DRAFT AUDIT)	VARIANCE ORIGINAL BUDGET TO ACTUAL	
Fees and Costs	61,474	61,474	0	-61,474	A
Site Acquisition	274,311	274,311	0	-274,311	A
Dwelling Structures	256,891	256,891	0	-256,891	A
TOTAL SOURCES OF FUNDS	592,676	592,676	0	-592,676	

VARIANCE ANALYSIS

A. No expenditures from both increments of the Replacement Housing Fund Grants due to the grants were not approved as a part of a replacement housing project during this fiscal year and are therefore not available.